Supreme Court, U.S.
FILED

971395 FEB 24 1998

OFFICE OF THE CLERK

No.

IN THE

Supreme Court of the United States

October Term, 1997

PETRO STOPPING CENTERS, L.P.

Petitioner,

v.

JAMES RIVER PETROLEUM, INC.,

Respondent.

Petition For Writ of Certiorari
To The United States Court of Appeals
For The Fourth Circuit

PETITION FOR WRIT OF CERTIORARI

PAUL F. KILMER*
THOMAS W. BROOKE
GADSBY & HANNAH LLP
1747 Pennsylvania Avenue, N.W.
Suite 700
Washington, D.C. 20006
(202) 429-9600

Attorneys for Petitioner
Petro Stopping Centers, L.P.

**Counsel of Record*

Balmar Legal Publishing Services, Washington, DC , (202) 682-9800

177 pp
$10

QUESTIONS PRESENTED

1. In light of this Court's 1985 ruling in *Park 'N Fly* that an incontestable federally registered trademark cannot be held descriptive, was it error for the Fourth Circuit to hold that an incontestable federally registered trademark may be treated as descriptive in assessing infringement?

2. Should the legal test of infringement be based upon real-world marketplace success and acceptance of the plaintiff's mark or, instead, on multiple levels of hearsay found in unverified databases of third-party marks and names?

PARTIES TO THE ACTION

Petitioner, Petro Stopping Centers, L.P., ("Petro Centers"), plaintiff and appellant below, petitions this Court for a writ of certiorari to review the judgment of the United States Court of Appeals for the Fourth Circuit in this action. The other party to this action is James River Petroleum, Inc. ("James River"), the defendant and appellee below.

TABLE OF CONTENTS

Page

QUESTIONS PRESENTED i

PARTIES TO THE ACTION ii

TABLE OF CONTENTS iii

TABLE OF AUTHORITIES v

OPINIONS BELOW 1

JURISDICTION 1

STATUTORY PROVISIONS INVOLVED 1

INTRODUCTION 1

STATEMENT OF THE CASE 2

BACKGROUND 3

ARGUMENT 4

I. Inherent Strength and Incontestability 4

A. Inducement To Federal Registration 4

B. Degrees of Trademark Strength 5

C. PETRO's Place on the Spectrum of Strength 6

D. The "Incontestable" Mark Presumptions 8

E. Incontestability Since *Park 'N Fly* 9

F. The Basis of the Federal Trademark System 12

II. The Legal Test of Infringement 13

A. The Legal Test of Marketplace Strength 13

B. Hearsay Does Not Demonstrate "Weakness" 14

C. Marks Can and Do Get Stronger 15

CONCLUSION 17

APPENDIX

Opinion of the United States Court of Appeals for the Fourth Circuit, dated November 26, 1997 ..... 1a

Memorandum and Order of the United States District Court for the Eastern District of Virginia, dated January 17, 1997 ..... 15a

Merchant & Evans, Inc. v. *Roosevelt Building Products Co.*, Memorandum and Order of the United States District Court for the Eastern District of Pennsylvania, dated December 19, 1991 ..... 22a

National Football League v. Jasper Alliance Corp., Memorandum and Order of the United States Trademark Trial and Appeal Board, dated August 13, 1990 ..... 39a

Haydon Switch & Instrument, Inc. v. Rexnord, Inc., Memorandum and Order of the United States District Court for the District of Connecticut, dated June 3, 1987 ..... 48a

Stagecoach Properties, Inc. v. Wells Fargo & Co., Memorandum and Order of the United States Trademark Trial and Appeal Board, dated April 21, 1978 ..... 69a

Relevant Statutes 110a

Petitioner's Selected United States Patent and Trademark Office Registrations 117a

Photographs of Parties' Facilities 145a

TABLE OF AUTHORITIES

Cases **Page(s)**

Abercrombie & Fitch v. Hunting World, 537 F.2d 4 (2nd Cir. 1976) 5

Centaur Communications v. A/S/M Communications, Inc., 830 F.2d 1217 (2nd Cir. 1987) 17

Charles Schwab & Co. v. Hibernia Bank, 665 F.Supp. 800 (N.D.Cal. 1987) 16

Clinton Detergent Company v. Proctor & Gamble Company, 302 F.2d 745 (C.C.P.A. 1962) 17

Communications Satellite Corp. v. Comcet, Inc., 429 F.2d 1245 (4th Cir.), *cert. denied*, 400 U.S. 942 (1970) 17

Country Floors, Inc. v. Country Tiles, 930 F.2d 1056 (3rd Cir. 1991) 10

DeCosta v. Viacom, 981 F.2d 602 (1st Cir. 1992) 10

Dieter v. B& H Industries of Southwest Florida, 880 F.2d 322 (11th Cir. 1989), *cert. denied*, 498 U.S. 950 (1990) 9, 11

Dollar Rent A Car Systems, Inc. v. Sand Dollar Car Rentals, Inc., 765 F.Supp. 876 (D.S.C. 1990) 10

Frances Denney, Inc. v. New Process Co., 670 F. Supp. 661 (W.D.Va. 1985) 10

Frito-Lay, Inc. v. The Bachman Co., 704 F.Supp. 432 (S.D.N.Y. 1989) 10

G.H. Mumm & Cie v. Desnoes & Geddes, 917 F.2d 1292 (Fed.Cir. 1990) 10

Haydon Switch & Instrument, Inc. v. Rexnord, Inc., 4 USPQ2d 1510 (D.Conn. 1987) [See Appendix] 9

Industrial Rayon Corp. v. Dutchess Underwear Corp., 92 F.2d 33 (2nd Cir. 1937), *cert. denied* 303 U.S. 640 (1938) 16

Institute for Scientific Information, Inc. v. Gordon & Breach, Science Publishers, Inc., 931 F.2d 1002 (3rd Cir. 1991) 10

James Burrough, Ltd. v. Sign of the Beefeater, Inc., 540 F.2d 266 (7th Cir. 1976), *appeal after remand*, 572 F.2d 574 (7th Cir. 1978) 5

Kenner Parker Toys, Inc. v. Rose Art Industries, Inc., 963 F.2d 350 (Fed. Cir. 1992), *cert. denied*, 506 U.S. 862 (1992).....13

Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co., 631 F.Supp. 735 (S.D.N.Y. 1985), *aff'd*, 799 F.2d 867 (2nd Cir. 1986).....10

Lone Star Steakhouse & Saloon, Inc. v. Alpha of Va., Inc., 43 F.3d 922 (4th Cir. 1995) 11

Marshak v. Sheppard, 666 F.Supp. 590 (S.D.N.Y. 1987).....10

McGraw-Edison Co. v. Walt Disney Productions, 787 F.2d 1163 (7th Cir. 1986) 14

Merchant & Evans, Inc. v. Roosevelt Building Products Co., 22 USPQ2d 1094 (E.D.Pa. 1991) [See Appendix] 10

Miss World Ltd. v. Mrs. America Pageants, Inc., 856 F.2d 1445 (9th Cir. 1988) 10

Munters Corp. v. Matsui America, Inc., 909 F.2d 250 (7th Cir.), *cert. denied*, 498 U.S. 1016 (1990).....10, 11

Nabisco Brands v. Arnold Kaye and Arnie's Deli, Ltd., 760 F.Supp. 25 (D.Conn. 1991).....9

National Football League v. Jasper Alliance Corp., 16 USPQ2d 1212 (TTAB 1990) [See Appendix].....14

Nike, Inc. v. "Just Did It" Enterprises, 799 F.Supp. 894 (N.D.Ill. 1992).....10

Nina Ricci S.A.R.L. v. E.T.F. Enterprises, 889 F.2d 1070 (Fed. Cir. 1989).....13

Park 'N Fly, Inc. v. Dollar Park and Fly, Inc., 469 U.S. 189 (1985)..... 1, 2, 6-13, 16

Petro Stopping Centers, L.P. v. James River Petroleum, Inc., 130 F.3d 88 (4th Cir. 1997) [See Appendix].....3, 4, 7, 11, 13-15, 17

Fizzeria Uno Corp. v. Temple, 747 F.2d 1522 (4th Cir. 1984).....7, 13, 18

Polo Fashions, Inc. v. Craftex, Inc., 816 F.2d 145 (4th Cir. 1987).....7

R.F.E. Industries, Inc. v. SPM Corp., 105 F.3d 923 (4th Cir. 1997), *cert. denied*,__U.S.__, 117 S. Ct. 2512; 138 L. Ed. 2d 1015 (1997).....7

San Fernando Electric Mfg. Co. v. JFD Electronics Components Corp., 565 F.2d 683 (C.C.P.A. 1977).....15

Sara Lee Corp. v. Kayser-Roth Corp., 81 F.3d 455 (4th Cir.), *cert. denied*, __U.S.__, 117 S.Ct 412, 136 L.Ed.2d 325 (1996).....5

Scarves by Vera, Inc. v. Todo Imports Ltd. (Inc.), 544 F.2d 1167 (2nd Cir. 1976).....14

Smith Brothers Mfg. Co. v. Stone Mfg. Co., 476 F.2d 1004 (C.C.P.A. 1973).....15

Stagecoach Properties, Inc. v. Wells Fargo & Co., 199 USPQ 341 (TTAB 1978), affirmed, 685 F.2d 302 (9th Cir. 1982) [See Appendix].....15-16

Stork Restaurant v. Sahati, 166 F.2d 348 (9th Cir. 1948).....17

Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763 (1992), *reh'g denied*, 505 U.S. 1244 (1992).....5-7, 13

West & Co. v. Arica Institute, Inc., 557 F.2d 338 (2nd Cir. 1977).....5

Wynn Oil Co. v. American Way Service Corp., 943 F.2d 595 (6th Cir. 1991), *appeal after remand, remanded* 61 F.3d 904 (6th Cir. 1995).....9, 11

Wynn Oil Co. v. Thomas, 839 F.2d 1183 (6th Cir. 1988)..9-11

Statutes

15 U.S.C. § 1051.....1

15 U.S.C. § 1052(e).....1, 5

15 U.S.C. § 1052(f).....1, 6, 7

15 U.S.C. § 1056 ..... 1, 6
15 U.S.C. § 1057(b) 1, 3
15 U.S.C. § 1064 ..... 1, 8
15 U.S.C. § 1065 ..... 1, 3, 8
15 U.S.C. § 1091 ..... 1, 6
15 U.S.C. § 1094 ..... 1, 6
15 U.S.C. § 1114 1
15 U.S.C. § 1114(1) 1
15 U.S.C. § 1115 ..... 1, 3, 8
15 U.S.C. § 1115(b) 1, 8
15 U.S.C. § 1121 1
15 U.S.C. § 1125(a) 1
28 U.S.C. § 1254(1) 1
28 U.S.C. § 1338(a) 1
28 U.S.C. § 1338(b) 1

Legislative History

S. Rep. No. 79-1333 (1946) 12

Treatises

J. Thomas McCarthy, McCarthy on Trademarks, 3d. ed. (1997) § 11:84 16

OPINIONS BELOW

The opinion of the Fourth Circuit is reported at 130 F.3d 88, and is reprinted in the Appendix 1a – 14a. The unreported Memorandum opinion of the United States District Court for the Eastern District of Virginia is also reprinted in the Appendix 15a – 21a.

JURISDICTION

The Fourth Circuit entered judgment on November 26, 1997. The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1). The basis for federal jurisdiction in the court of first instance was 28 U.S.C. §§ 1338(a) and 1338(b) and 15 U.S.C. §§ 1114, 1121 and 1125(a).

STATUTORY PROVISIONS INVOLVED

This dispute involves several sections of the Federal Trademark Act, 15 U.S.C. § 1051 *et seq.*, (the "Lanham Act") including those dealing with incontestable trademark registrations and trademark infringement, specifically. 15 U.S.C. §§ 1057(b), 1065, 1114(1), 1115, 1121 and 1125(a). (See Appendix.)

INTRODUCTION

In 1985, this Court held that 1) an "incontestable" federally registered trademark may be used both offensively and defensively, and 2) that actions asserting rights in an incontestable mark "may not be defended on the grounds that the mark is merely descriptive." *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc.*, 469 U.S. 189 (1985). The decision of the Fourth Circuit in the present action ignores, and in fact, contravenes both of these holdings.

The Fourth Circuit's decision represents a growing division among the Circuits regarding the significance of an incontestable mark in assessing trademark strength. That division encourages forum shopping and undermines the uniform national treatment of incontestable federally

registered marks. If allowed to stand, the decision of the Fourth Circuit will erode the federal trademark registration system by removing important inducements for trademark owners to use that system.

The decision of the Fourth Circuit further undermines federal trademark law and contravenes the *Park 'N Fly* decision by requiring that incontestable marks that are inherently distinctive must nevertheless be shown to have attained a secondary meaning. The Fourth Circuit's test ignores the marketplace success and acceptance of Petro Center's **PETRO** mark while relying upon unsubstantiated multiple levels of hearsay from computer-generated trademark databases and business directories to find the **PETRO** designation weak. The legal test for trademark infringement should be based upon inherent strength of the plaintiff's mark and real-world evidence from the marketplace, not unverified hearsay.

STATEMENT OF THE CASE

This is an action brought by Petro Centers for infringement of its federally registered service marks for, *inter alia*, truck stop services, and for federal unfair competition. Both the district court and court of appeals found Petro Centers' incontestable federally registered **PETRO** mark "descriptive" and therefore inherently weak as used for truck stop services. Both lower courts also found the **PETRO** mark was weakened by third-party "Petro" references in computer-generated trademark search reports and business directories introduced through testimony of a witness who had no first-hand knowledge of how the reports were prepared or whether the marks and names shown in the reports were in use.

Both lower courts discounted evidence of the overwhelming marketplace strength of the **PETRO** mark in terms of sales ($2 billion in five years), advertising ($6.25 million over five years), and consumer recognition. The evidence presented by Petro Centers included independent

surveys, not conducted for purposes of litigation, that showed extremely high recognition of the **PETRO** mark among relevant consumers, such as long-haul truckers and truck fleet operators. Based upon their misapplication of the legal test for assessing the strength of the **PETRO** mark, the lower courts held that **PETRO CARD** could be used by James River for fleet fueling services without infringing the rights of Petro Centers in its **PETRO** marks for truck stop services.

BACKGROUND

Petro Centers and James River are competitors in the sale of fuel, primarily to truckers and truck fleets. Petro Centers has operated truck stop facilities throughout the United States under the mark **PETRO** since 1975, including one facility in Ruther Glen, Virginia, in the Richmond area.

James River, operating since 1992 under the **PETRO CARD** and **JAMES RIVER PETRO CARD** marks, owns unattended fueling stations in the Richmond, Virginia area which are designed to accommodate eighteen wheel long haul trucks. Several of James River's facilities are adjacent to restaurants, convenience stores or truck service facilities. *Petro Stopping Centers*, 88 F.3d at 91, (Appendix 147a).

In the recent past, James River has used signage featuring the **PETRO CARD** mark, alone. (Appendix 150a). The trial court noted that James River continues to "set the **PETRO CARD** phrase apart from the rest of the words on its sign." (Appendix 19a)

Petro Centers owns fourteen (14) United States Patent and Trademark Office registrations for marks that consist of or include the designation **PETRO**. (Appendix 117a-144a). Eight of those federal registrations are incontestable pursuant to the provisions of 15 U.S.C. § 1065. One of Petro Centers' incontestable federal registrations, U.S. Reg. No. 1,606,012 is for the mark **PETRO** presented with background colors. (Appendix 131a-132a).

Over the five (5) years preceding trial, Petro Centers sold in excess of $2 billion of goods and services through its **PETRO** truck stops. Over that same five year period, Petro Centers expended more than $6.25 million in promoting **PETRO** truck stops, predominantly to long haul trucks and truck fleet operators. *Petro Stopping Centers*, 88 F.3d at 90.

The **PETRO** truck stops of Petro Centers have received extensive publicity (Plaintiff's Exhibit 7). Independent surveys, not conducted for this litigation, demonstrate that the **PETRO** mark is well-known and highly regarded in the field of truck stop services.

ARGUMENT

I. Inherent Strength and Incontestability

A. Inducement To Federal Registration

Trademark owners like Petro Centers seek federal trademark registrations for their marks to take advantage of the protections afforded by the Trademark Act. As an inducement to use the federal registration system, Congress provided to trademark registrants two levels of legal presumptions: those flowing to any registration and those available only to "incontestable" marks. (*See discussion* at I.,D., *infra*). 15 U.S.C. §§ 1057(b), 1065 and 1115.

All registrants whose marks are on the "Principal Register", such as Petro Centers, are entitled to use of the certificate of registration as:

> . . . prima facie evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce on or in conjunction with the goods or services specified in the certificate, subject to **any conditions** or limitation stated in the certificate.

15 U.S.C. § 1057(b). (Emphasis added).

No conditions as to the **PETRO** designation are present in Petro Centers' federal registrations. The **PETRO** mark is therefore considered inherently strong. Inherent strength plays a central role in protection of trademarks and the infringement analysis.

B. Degrees of Trademark Strength

"Stronger" trademarks enjoy greater protection. *Two Pesos, Inc. v. Taco Cabana, Inc.*, 505 U.S. 763, 768 (1992), *reh'g denied*, 505 U.S. 1244 (1992); *James Burrough, Ltd. v. Sign of the Beefeater, Inc.*, 540 F.2d 266 (7th Cir. 1976), *appeal after remand*, 572 F.2d 574 (7th Cir. 1978). Under the so-called "Abercrombie spectrum," the inherent strength of a mark is evaluated on a sliding scale. Marks are classified as: (a) "generic" (unprotectable names of goods, such as escalator or aspirin); (b) "descriptive" (those that reveal the nature or quality of the goods such as **AFTER TAN** and **KING SIZE**); (c) "suggestive" (those that hint at the nature of the goods but do not describe them, such as **COPPERTONE** for sun tan lotion); (d) "arbitrary" (common words used for unassociated goods, such as **BICYCLE** for playing cards); or (e) "fanciful" (very strong marks consisting of coined words such as **KODAK** and **CLOROX**). *Abercrombie & Fitch v. Hunting World*, 537 F.2d 4 (2nd Cir. 1976); *Two Pesos*, 505 U.S. at 768; *See, Sara Lee Corp. v. Kayser-Roth Corp.*, 81 F.3d 455, 464 (4th Cir.), *cert denied* __U.S.__, 117 S.Ct 412, 136 L.Ed. 2d 325 (1996)

Suggestive, arbitrary and fanciful marks are considered inherently strong and are entitled to registration without extrinsic evidence of protectability. *Two Pesos*, 505 U.S. at 768. By contrast, generic terms can claim no protection and may not be registered. *Id.*; *West & Co. v. Arica Institute, Inc.*, 557 F.2d 338 (2nd. Cir. 1977).

The Patent and Trademark Office allows registration for a descriptive mark only where the applicant demonstrates that the designation has "become distinctive" as used in relation to the goods or services, or attained what is commonly referred

to as a "secondary meaning". *Two Pesos*, 505 U.S. at 768; *See*, 15 U.S.C. § 1052(e)(regarding delineation of types of descriptive terms). If the Patent and Trademark Office requires proof that a descriptive mark has become distinctive, and if the applicant provides sufficient proof, the registration certificate will specifically note that the registration issued under the provisions of Section 2(f) of the U.S. Trademark Act. 15 U.S.C. § 1052(f). **None** of Petro Centers' registrations for **PETRO** issued pursuant to Section 2(f).

Descriptive words within a registration must be disclaimed if secondary meaning cannot be proven. 15 U.S.C. § 1056. The Patent and Trademark Office has **never** required a disclaimer of **PETRO** by Petro Centers.

If a mark consists solely of descriptive elements and secondary meaning has not been established, the mark may be registered on the Supplemental Register. 15 U.S.C. § 1091. Marks on the Supplemental Register are not entitled to the presumptions available to those on the Principal Register. 15 U.S.C. § 1094. **None** of the **PETRO** marks of Petro Centers has ever been registered on the Supplemental Register.

C. PETRO's Place on the Spectrum of Strength

Petro Centers' **PETRO** mark has never been found descriptive by the Patent and Trademark Office. The Patent and Trademark Office has never required a disclaimer of the word **PETRO.** The Patent and Trademark Office has never required Petro Centers to prove secondary meaning for **PETRO**.

The incontestable mark **PETRO** is therefore **not** considered descriptive of Petro Centers' goods and services. *See*, *Park 'N Fly*, 469 U.S. at 205; *Two Pesos*, 505 U.S. at 769. If the mark **PETRO** had been held descriptive by the Patent and Trademark Office, Petro Centers would have been required to demonstrate secondary meaning, disclaim rights to the mark, or place the mark on the Supplemental Register.

Several of Petro Center's registrations demonstrate that the U.S. Patent and Trademark Office is attuned to the need to

require disclaimers of descriptive matter, where appropriate. For example, certificates for Petro Centers' registrations contain disclaimers of words such as "center," "travel plaza," "mercantile company," and "general store." (Appendix 117a-118a,123a-124a,125a-126a,133a-134a,143a-144a). Those same registrations do **not** contain disclaimers or other conditions or limitations in relation to the mark **PETRO**.

Whether a mark is registered under the provisions of Section 2(f), and is therefore descriptive, or registered without reference to Section 2(f), and therefore suggestive, arbitrary or fanciful, is highly significant in assessing the mark's strength. *Two Pesos*, 505 U.S. at 768-769. In the Fourth Circuit, where this action arose, the strength of the plaintiff's mark is the **most important factor** in the trademark infringement analysis. *Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1527 (4th Cir. 1984) and *Polo Fashions, Inc. v. Craftex, Inc.*, 816 F.2d 145, 148 (4th Cir. 1987).[1]

---

[1] The Fourth Circuit correctly noted that the United States Patent and Trademark Office ("PTO") did not require proof that the **PETRO** marks have secondary meaning and therefore "it can safely be assumed that the PTO believed the marks were at least suggestive." *Petro Stopping Centers*, 88 F.3d at 92. The appellate court then states, however: "[d]espite the PTO's apparent conclusions, we find no clear error in the district court's determination that PETRO is a descriptive, weak mark." *Id.* at 93 This line of reasoning is incorrect, and in fact has been criticized in a different Fourth Circuit opinion:

> . . . we find ourselves confronted yet again with a case where a trademark has been ruled descriptive, notwithstanding that the PTO [Patent and Trademark Office] has issued a certificate of registration for the mark without requiring proof of secondary meaning. We have said at least twice before that the PTO's taking of such an action is powerful evidence that the registered mark is suggestive and not merely descriptive . . . It must now be apparent that a district court should not freely substitute its opinion for the PTO's.

RFE Industries, Inc. v. SPM Corp., 105 F.3d 923, 926 (4th Cir.), *cert denied*, __U.S.__, 117 S.Ct. 2512, 138 L.Ed.2d 1015 (1997).

Under *Park 'N Fly*, Petro Centers' **PETRO** marks, which were held non-descriptive at the time of registration, enjoy the added protection of incontestability, discussed below, and must be considered **conclusively** non-descriptive and **conclusively** strong. These are the advantages which Petro Centers and every other federal trademark registrant sought by registering their marks at the U.S. Patent and Trademark Office.

D. The "Incontestable" Mark Presumptions

A higher level of presumptions is available to those registrations more than five years old whose owners take the necessary steps to preserve their rights under the provisions of 15 U.S.C. §§ 1064 and 1065. Such "incontestable" federal registrations are "**conclusive** evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce." 15 U.S.C. § 1115(b) (Emphasis added). The Lanham Act provisions regarding incontestability "provide a means for the registrant to quiet title in the ownership of his mark." *Park 'N Fly*, 469 U.S. at 198.

The Court of Appeals here denied Petro Centers the presumptions of incontestability. The **PETRO** mark received no greater protection from the courts below than an unregistered mark. Without these presumptions, there is no incentive for Petro Centers or anyone else to register their marks at the U. S. Patent and Trademark Office.

In *Park 'N Fly*, this Court was called upon to interpret the meaning and significance of §1115 and the incidents of "incontestability". The court of appeals in *Park 'N Fly*, as here, had held that incontestable status merely provides a defense against cancellation of the plaintiff's registration. That interpretation of the Lanham Act meant that an incontestable registration had no "offensive" power against an infringer and that the lower courts were at liberty to find incontestable marks to be "merely descriptive" and inherently

weak on the sliding scale of trademark strength. *Park 'N Fly*, 469 U.S. at 193.

In reversing the court of appeals in *Park 'N Fly*, this Court very clearly stated, in the opening paragraph of its decision, that an incontestable mark may not be challenged as "merely descriptive." *Park 'N Fly*, 469 U.S. at 191; *See also*, *Id.* at 196 ("The language of the Lanham Act also refutes any conclusion that an incontestable mark may be challenged as merely descriptive. A mark that is merely descriptive of an applicant's goods or services is not registrable unless the mark has secondary meaning.").

Eight of Petro Centers' **PETRO** registrations are incontestable. Petro Centers has sought and should enjoy both the protection guaranteed to any federal registration and the added protection provided by Congress in the incontestability provisions of the Trademark Act. Contrary to the decision of the Fourth Circuit, those presumptions should have included the right and ability to use the **PETRO** mark offensively against the **PETRO CARD** mark of James River.

E. Incontestability Since *Park 'N Fly*

The circuits are now split on the degree of deference to be afforded to incontestable federally registered trademarks. Some Courts of Appeal follow *Park 'N Fly* and make no distinction between the offensive and defensive use of an incontestable trademark registration, *see*, *Wynn Oil Co. v. Thomas*, 839 F.2d 1183, 1187 (6th Cir. 1988); *Wynn Oil Co. v. American Way Service Corp.*, 943 F.2d 595, 600 (6th Cir. 1991), *appeal after remand, remanded* 61 F.3d 904 (6th Cir. 1995); *Dieter v. B& H Industries of Southwest Florida*, 880 F.2d 322, 329 (11th Cir. 1989), *cert. denied*, 498 U.S. 950 (1990),[2] while other Courts of Appeal have discarded *Park 'N*

---

[2] Several U.S. District Courts around the country have made similar rulings equating incontestability with strength for the purposes of a likelihood of confusion analysis. *See*, *Nabisco Brands v. Arnold Kaye and Arnie's Deli, Ltd.*, 760 F.Supp. 25, 27 (D.Conn. 1991); *Haydon Switch & Instrument, Inc. v. Rexnord, Inc.*, 4 USPQ2d 1510 (D.Conn. 1987)

Fly and only allow defensive use of incontestable trademark registrations.[3]

The current case is symbolic of one line of decisions giving little or no weight to the Supreme Court's treatment of incontestable marks in *Park 'N Fly*. In fact, the Seventh Circuit has also gone out of its way to hold that incontestability should play no role in determining whether a mark has been infringed. *Munters Corp. v. Matsui America, Inc.*, 909 F.2d 250 (7th Cir.), *cert. denied*, 498 U.S. 1016 (1990).[4]

(Appendix 59a); *Merchant & Evans, Inc.* v. *Roosevelt Building Products Co.*, 22 USPQ2d 1094, 1099 (E.D.Pa. 1991) (Appendix 33a); *Frances Denney, Inc. v. New Process Co.*, 670 F. Supp. 661, 666 (W.D.Va. 1985); *RFE Industries, Inc., supra.*

[3] These cases ignore incontestability as an element of strength: *DeCosta v. Viacom*, 981 F.2d 602 (1st Cir. 1992); *Country Floors, Inc. v. Country Tiles*, 930 F.2d 1056, 1063-64 (3rd. Cir. 1991); Other Courts have diverged from *Park 'N Fly* to hold that incontestability is an element to be considered in determining mark strength: *Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 631 F.Supp. 735, 741 (S.D.N.Y. 1985), *aff'd*, 799 F.2d 867 (2nd. Cir. 1986)(lower court concluded that incontestability was an element of strength, Circuit Court did not mention strength in its analysis); *Miss World Ltd. v. Mrs. America Pageants, Inc.*, 856 F.2d 1445, 1449 (9th Cir. 1988)("incontestable status alone does not establish a strong mark"); *G.H. Mumm & Cie v. Desnoes & Geddes*, 917 F.2d 1292 (Fed.Cir. 1990); *see*, *Marshak v. Sheppard*, 666 F.Supp. 590 (S.D.N.Y. 1987); *Frito-Lay, Inc. v. The Bachman Co.*, 704 F.Supp. 432 (S.D.N.Y. 1989); *Dollar Rent A Car Systems, Inc. v. Sand Dollar Car Rentals, Inc.*, 765 F.Supp. 876, 879 (D.S.C. 1990).

In one instance, the Third Circuit found "clear descriptiveness," a concept found nowhere else in trademark law, instead of "mere descriptiveness," which would have violated the constraints of *Park 'N Fly*, in order to allow the defendant to avail itself of a fair use defense. *Institute for Scientific Information, Inc. v. Gordon & Breach, Science Publishers, Inc.*, 931 F.2d 1002, 1010 (3rd Cir. 1991).

[4] At least one District court in the Seventh Circuit disagreed with this holding and ruled that incontestability is evidence of a mark's strength, citing *Wynn Oil v. Thomas* for that proposition. *Nike, Inc. v. "Just Did It" Enterprises*, 799 F.Supp. 894 (N.D.Ill. 1992).

Here, the Fourth Circuit attempted to differentiate between the "validity" of an incontestable mark (which it found cannot be challenged) and "the separate inquiry into a mark's strength for purposes of the likelihood of confusion determination." *Petro Stopping Centers*, 88 F.3d at 92. In relation to the "likelihood of confusion" inquiry, the Fourth Circuit found:

> The [Supreme] Court did not hold, however, that the descriptive nature of a mark may not be considered in the separate likelihood of confusion inquiry. . . . "We hold that we are free to address whether Plaintiff's incontestable trademark is descriptive or suggestive in determining whether the likelihood of consumer confusion exists in this case."

Id. (quoting *Lone Star Steakhouse & Saloon, Inc. v. Alpha of Va., Inc.*, 43 F.3d 922, 935 (4th Circuit 1995)) and 91, n.2.

Thus the Fourth Circuit has held that the incontestable status of a mark is not relevant to the likelihood of confusion analysis and a court is free to substitute its judgment for that of the PTO and find an incontestable mark "descriptive." The fear of the Fourth Circuit and other federal courts that have followed the same path appears to be that "descriptive" marks which are not "caught" by the PTO will become incontestable and used offensively against others. *See*, *Munters*, *supra*. This Court has noted that same concern was raised before Congress when it was considering the Lanham Act, **and rejected**. *Park 'N Fly*, 469 U.S. at 200 – 210.

What the Fourth Circuit and courts following the same tack are endeavoring to do is substitute their opinion regarding the desirable effects of "incontestability" for that of Congress in an area where Congress has very clearly intended a result that is within its power to legislate.

Other circuits and district courts have recognized the importance of following the will of Congress and the precedent of this Court in *Park 'N Fly*, and have opted to

accept incontestability as an indicia of the inherent strength of a mark in the likelihood of confusion analysis. *See*, *Wynn Oil Co. v. Thomas; Wynn Oil Co. v. American Way Service Corp., Dieter*, all *supra.* These decisions are in line with this Court's holding in *Park 'N Fly* that there should be no distinction between the defensive (validity) and offensive (likelihood of confusion) use of an incontestable mark. *Park 'N Fly*, *supra.*

The opinion of the Fourth Circuit here is completely at odds with the intentions of Congress as shown in the plain language of the Lanham Act, *Park 'N Fly* and decisions that have followed that precedent. The Fourth Circuit has effectively re-established the "offensive/defensive" distinction in the use of incontestable marks that *Park 'N Fly* sought to eliminate.

The division amongst the circuits regarding the significance to be afforded "incontestable" federally registered trademarks and the limited reading given to this Court's *Park 'N Fly* precedent by some circuits, including the Fourth Circuit here, make this action timely and appropriate for review.

F. The Basis of the Federal Trademark System

Congress established the federal trademark registration system under its power to regulate interstate and foreign commerce. *Park 'N Fly*, 469 U.S. at 193; S. Rep. No. 79-1333, at 5-6 (1946). Trademark protection had previously been purely a matter of state concern, which lead to uncertain and varying protection of marks. *Park 'N Fly*, 469 U.S. at 193.

In deciding to regulate trademarks, Congress determined that "sound public policy requires that trademarks should receive nationally the greatest protection that can be given them." *Park 'N Fly*, 469 U.S. at 193 (quoting S. Rep. No. 79-1333, at 6). In implementing federal trademark protection, Congress spoke in terms of "national legislation along national lines securing to the owners of trade-marks in interstate commerce definite rights." S. Rep. No. 79-1333, at 5.

The presumptions flowing from federal registration and "incontestability" provided in the Trademark Act are the means adopted by Congress to induce use of the registration system and thereby promote fair trade in interstate commerce. A uniform, and **uniformly applied**, set of rules governing protection of trademarks is therefore imperative to the trademark system envisioned by Congress.

Unfortunately, despite this Court's decision in *Park 'N Fly*, the circuits have taken different views of the meaning and significance of "incontestability" provisions of the Trademark Act. The interpretation of the Fourth Circuit here undercuts the importance given by Congress to incontestable marks and threatens to destroy an important incentive provided by Congress to encourage federal registration and a unified national trademark system.

II. The Legal Test of Infringement

A. The Legal Test of Marketplace Strength

As a result of its confusion over the meaning of *Park 'N Fly*, the Court of Appeals misapplied the legal test of trademark strength, the most important factor for determining likelihood of confusion in the infringement analysis. *See*, *Pizzeria Uno*, *supra*,

By erroneously applying *Park 'N Fly*, the Fourth Circuit came to the conclusion that an incontestable mark, such as **PETRO**, which was registered without the PTO requiring proof of "secondary meaning" or acquired distinctiveness, nevertheless must be shown to have "secondary meaning" in the likelihood of confusion analysis. *Petro Shopping Centers*, 88 F.3d at 92. As this Court made clear in *Park 'N Fly*, a mark that is the subject of an incontestable registration is not descriptive and the owner need not demonstrate "secondary meaning." *Park 'N Fly*, 469 U.S. at 196 and 203. Therefore, the Fourth Circuit, by requiring Petro Centers to demonstrate secondary meaning, again ignores the clear meaning of *Park 'N Fly*, reaffirmed in *Two Pesos*, 505 U.S. at 776.

"Secondary meaning" is a concept that should be applied when determining the protectability of a mark, not the likelihood that consumers will be confused by a potentially infringing mark. The issue to be considered in the likelihood of confusion test is marketplace strength. *See, Kenner Parker Toys, Inc. v. Rose Art Industries, Inc.*, 963 F.2d 350, 352-353 (Fed. Cir. 1992), *cert. denied*, 506 U.S. 862 (1992)(A strong mark "casts a long shadow which competitors must avoid.")(citing *Nina Ricci S.A.R.L. v. E.T.F. Enterprises*, 889 F.2d 1070, 1074 (Fed. Cir. 1989)); *Stagecoach Properties, Inc. v. Wells Fargo & Co.*, 199 USPQ 341, 345-347 (TTAB 1978) (Appendix 78a-82a), *affirmed*, 685 F.2d 302 (9th Cir. 1982).

In spite of the incontestable and conclusively strong nature of its **PETRO** mark, Petro Centers presented evidence of strength, yet the Fourth Circuit still held the **PETRO** mark to be weak and descriptive.

B. Hearsay Does Not Demonstrate "Weakness"

In an effort to buttress its analysis of the weakness of the **PETRO** mark, the Fourth Circuit placed substantial reliance upon the results of a computer search of PTO and other databases that contains references to third party "Petro" designations. *Petro Shopping Centers*, 88 F.3d at 93-94. As was made clear by the evidence, however, the lists of trademark and business names in the databases relied upon by the appellate court were never verified by James River or its witnesses. James River presented no evidence of the diluting effect of third party marks, nor did James River present any evidence regarding the perception of Petro Centers' **PETRO** mark in the eyes of prospective purchasers.

Trademark and business name search reports are merely attractive packaging for multiple layers of hearsay. *See, Scarves by Vera, Inc. v. Todo Imports Ltd. (Inc.)*, 544 F.2d 1167 (2nd. Cir. 1976)(cites omitted); *McGraw-Edison Co. v. Walt Disney Productions*, 787 F.2d 1163 (7th Cir. 1986); *National Football League v. Jasper Alliance Corp.*, 16 USPQ2d 1212, 1215, n.3 (TTAB 1990) (trademark search

report is not evidence of either use or registration of a mark) (Appendix 44a). The search report is a database of databases, and is therefore totally dependent upon the accuracy (or lack thereof) reflected in each underlying database. The mere existence of a federal registration or other listing in a publication does not demonstrate third party "use" of a name or mark. *See, San Fernando Electric Mfg. Co. v. JFD Electronics Components Corp.*, 565 F.2d 683, 685 (C.C.P.A. 1977); *Smith Brothers Mfg. Co. v. Stone Mfg. Co.*, 476 F.2d 1004, 1005 (C.C.P.A. 1973); *Stagecoach Properties*, 199 USPQ at 354. (Appendix 103a)

In this action, the defendant did not produce any witnesses from the companies referenced in the trademark and business name search reports upon which the lower courts placed reliance for the conclusion that PETRO is a weak mark. The defendant did not produce a single witness from the research firms that generated the search reports to testify about how the reports were prepared and what, if any, research was conducted to determine the accuracy of the underlying database. The materials relied upon serve as evidence only of the fact that telephone numbers or business listings appear therein. These materials "are not admissible as evidence that the names and numbers printed on the pages reflect active businesses, let alone the size of those businesses or the duration of time they have been open." *Stagecoach Properties*, 199 USPQ at 357 (cites omitted). (Appendix 106a)

Despite the inherent multiple hearsay issues and the absence of substantiation or corroboration of any of the information contained in James River's trademark search reports, the Fourth Circuit and the district court relied upon those trademark searches as evidence of "use" of the listed names and mark. This practice has been rejected by other courts as lacking trustworthiness. *See, San Fernando Electric Mfg. Co* and *Smith Brothers Mfg., supra.*

C. Marks Can and Do Get Stronger

The Fourth Circuit also relied upon statements made by Petro Centers in **1981** regarding the relative strength of the **PETRO** mark at that time for the conclusion that the **PETRO** mark remained weak in **1997**. *Petro Stopping Centers*, 88 F.3d at 94. Under this rationale, a mark that is relatively weak when adopted, such as **INTERNATIONAL BUSINESS MACHINES (IBM)**, could never attain strength in the marketplace through extensive use and consumer recognition.

Such a finding ignores the central role of trademarks as tools to build consumer recognition **over time**. In his treatise, *McCarthy on Trademarks*, Professor McCarthy makes the analogy to people:

> [A]n infant may be born sickly and delicate. But, by dint of careful nurturing and personal effort, such a child may grow up to be strong, robust and famous. History is replete with examples of such persons, such as President Theodore Roosevelt. For example, marks such as **AMERICAN** airlines, **PAYLESS** drug stores, **FORD** autos and **KENTUCKY FRIED CHICKEN** fast-food outlets would, at birth, have been characterized as inherently "weak" terms. But they have all become famous and well-recognized by the consuming public.

J. Thomas McCarthy, *McCarthy on Trademarks*, 3d. ed. (1997) § 11:84; *see*, *Stagecoach Properties*, 199 USPQ at 345-347. (Appendix 78a-82a)

The critical period of time for assessing the strength of Petro Center's **PETRO** mark and determining the impact of third party use is the period during which James River used the **PETRO CARD** mark. *See*, *Industrial Rayon Corp. v. Dutchess Underwear Corp.*, 92 F.2d 33, 35 (2nd Cir. 1937), *cert. denied* 303 U.S. 640 (1938) (Use of a word as a trademark by others, having been discontinued, did not

invalidate the Plaintiff's mark); *Charles Schwab & Co. v. Hibernia Bank*, 665 F.Supp. 800, 806 (N.D.Cal. 1987) (Third party users had "long since abandoned use of the mark"). James River failed to demonstrate any actual third party use of the **PETRO** mark from 1992, when its use of **PETRO CARD** began, to the date of trial.

Because the analysis of the Fourth Circuit presumes that marks may never gain strength through long use and consumer acceptance, the opinion below fails to give any weight to the more than $2 billion in sales and $6.25 million in promotional expenditures Petro Centers amassed over the five years prior to trial in relation to its use of the **PETRO** mark. *Petro Stopping Centers*, 88 F.3d at 90. The opinion below also fails to recognize the importance of independent consumer surveys conducted without reference to this litigation which demonstrate that the PETRO mark of Petro Centers is well and favorably recognized by long haul truckers and fleet operators who constitute the primary customers of both parties.

In the Fourth Circuit and elsewhere, a mark such as **PETRO** that has achieved considerable marketplace strength is entitled to a wide scope of protection. *Communications Satellite Corp. v. Comcet, Inc.*, 429 F.2d 1245, 1248 (4th Cir.), *cert. denied*, 400 U.S. 942 (1970); *Stork Restaurant v. Sahati*, 166 F.2d 348, 356 (9th Cir. 1948)(the mark **STORK CLUB** is strong due to "high powered promotional methods"); *Clinton Detergent Company v. Proctor & Gamble Company*, 302 F.2d 745, 748 (C.C.P.A. 1962); *Centaur Communications v. A/S/M Communications, Inc.*, 830 F.2d 1217, 1226 (2nd. Cir. 1987)(a mark's "strength should be examined in the commercial context"). By relying upon multiple layers of hearsay rather than evidence of the marketplace strength of the **PETRO** mark, the Fourth Circuit has effectively substituted gossip for proof and computer lists for real-world marketplace perception of the strength and value of the **PETRO** mark.

CONCLUSION

By holding the incontestable **PETRO** mark descriptive, the Fourth Circuit failed to apply the legal test established by this Court in *Park 'N Fly* for assessing a mark's inherent strength. Under *Park 'N Fly*, the incontestable **PETRO** mark should have been treated as inherently strong, not descriptive.

The Fourth Circuit also failed to apply the legal test for assessing marketplace strength in the likelihood of confusion analysis. The court below allowed multiple layers of hearsay from computer databases to substitute for direct evidence of trademark strength. That error was compounded when the Fourth Circuit ignored the real-world marketplace strength that the **PETRO** mark has garnered over the years since it was first registered.

Proper application of the legal tests for both inherent strength and marketplace strength of the **PETRO** mark would have lead the court below to find infringement since in the Fourth Circuit mark strength is the preeminent factor in the likelihood of confusion analysis. *Pizzeria Uno*, 747 F.2d at 1533-1534. The split in authority among the circuits and the need to reunify the law regarding both the conclusive presumptions flowing to incontestable marks and the legal test of trademark strength in the likelihood of confusion analysis make this an appropriate and compelling case for review by the Court.

UNITED STATES COURT OF APPEALS
FOR THE FOURTH CIRCUIT

PETRO STOPPING CENTERS, L.P.,
Plaintiff-Appellant,

v.

JAMES RIVER PETROLEUM, INC.,
Defendant-Appellee.

No. 97-1215

October 28, 1997, Argued
November 26, 1997, Decided

PRIOR HISTORY: Appeal from the United States District Court for the Eastern District of Virginia, at Richmond. Robert R. Merhige, Jr., Senior District Judge. (CA-96-530-3).

DISPOSITION: AFFIRMED.

COUNSEL: ARGUED: Paul Forest Kilmer, GADSBY & HANNAH, L.L.P., Washington, D.C., for Appellant.

ARGUED: Edward Eric Scher, THORSEN, MARCHANT & SCHER, L.L.P., Richmond, Virginia, for Appellee.

ON BRIEF: Carol L.B. Matthews, Thomas W. Brooke, Caroline A. Leonard, GADSBY & HANNAH, L.L.P., Washington, D.C., for Appellant.

ON BRIEF: Julie M. Whitlock, THORSEN, MARCHANT & SCHER, L.L.P., Richmond, Virginia, for Appellee.

JUDGES: Before WILKINSON, Chief Judge, MURNAGHAN, Circuit Judge, and PHILLIPS, Senior Circuit Judge. Chief Judge Wilkinson wrote the opinion, in which Judge Murnaghan and Senior Judge Phillips joined.

OPINION BY: WILKINSON

OPINION: WILKINSON, Chief Judge:

Petro Stopping Centers, L.P. ("Petro Stopping") sued James River Petroleum, Inc. ("James River"), alleging federal and common law trademark infringement,federal and common law unfair competition, federal dilution, and Virginia false advertising claims. After a bench trial, the district court entered judgment for James River on all counts. The court found Petro Stopping's marks to be fairly weak and concluded that the remaining factors did not support a likelihood of confusion. We now affirm.

I.

Petro Stopping operates and franchises over forty full service automobile and truck travel centers in twenty-seven states, including one each in Ruther Glen, Virginia and Fort Chiswell, Virginia. The company has been in business since 1975. Most of Petro Stopping's facilities operate under the marks PETRO STOPPING CENTER or PETRO TRAVEL PLAZA.

Petro Stopping has a total of fourteen registered federal service marks that contain the term PETRO. Examples include PETRO PRIDE, PETRO: LUBE, PETRO:2, PETRO: PLUS, and PETRO:TREAD. No registration is for the word PETRO alone, although the company has registered PETRO

with background colors as a composite mark for truck stop services. The PETRO mark is almost always displayed in white letters with a green rectangular background, placed above a red-orange strip. Petro Stopping's first registered mark, PETRO STOPPING CENTER, was placed on the Principal Register of the Patent and Trademark Office ("PTO") in August 1982. The company registered its eighth service mark, the PETRO with background colors composite mark, in July 1990. At least eight of Petro Stopping's marks, including the registration for PETRO with background colors, have become incontestable pursuant to 15 U.S.C. at 1065.

Petro Stopping's truck stop facilities are located adjacent to interstate highways at the exits. They offer a wide variety of goods and services, including separate fueling areas for cars and trucks, truck maintenance, truck weighing scales, truck washes, restaurants, retail stores, fax machines, ATM machines, showers, laundry, quiet rooms, game rooms, television rooms, movie theaters, and barber shops. These travel facilities are staffed twenty-four hours a day. Customers purchasing fuel or other goods and services at Petro Stopping's sites can pay with cash, checks, or credit cards, including a PETRO credit card. The company advertises its facilities in radio spots, in publications directed to truckers, in truck stop directories, and on billboards and Virginia Department of Transportation ("VDOT") exit signs. The company claims that over the past five years it has sold in excess of $ 2 billion of goods and services and has spent over $6.25 million in promoting its truck stop services.

James River is engaged in petroleum distribution. In 1992, the company expanded into the "card lock" business. In this enterprise, James River generally sells its services to commercial owners of car or truck fleets. These fleet owners purchase accounts that allow their drivers or authorized agents to use payment cards at James River's unmanned, self-service filling stations. James River participates in the Commercial Fueling Network ("CFN"), and is therefore part of a network of independent card lock fuel facilities. Before trial, the

company had five Richmond area stations and planned to open a sixth. James River operates its card lock facilities under the name JAMES RIVER PETRO CARD. The James River mark uses a white (or sometimes gray) background and contains one stylized, red "JR" logo, in large font. Next to the logo, in a much smaller font, appear the words "James River" in blue upper and lower case letters. Below that, in an even smaller font, the words "PETRO CARD" appear in slanted red upper case letters with horizontal lines drawn to give the effect that the words are moving.[1]

James River's card lock facilities are not located adjacent to interstate highways. Although one of the company's fuel stations is located near a separately-owned convenience store and another near a separately-owned restaurant, the company's card lock facilities do not offer any services comparable to Petro Stopping's truck stops except for fueling. James River's stations are not staffed. Fuel can be purchased only through the use of a card issued by James River or another CFN member. The company has run limited advertisements in small local trade newsletters, but does not utilize any billboards or VDOT signs. The company's sites are also listed in CFN directories. James River focuses its marketing, however, on the direct solicitation of commercial accounts.

Petro Stopping filed this suit against James River on July 1, 1996. The district court held a bench trial on December 2 and 3, 1996, and ruled for James River in all respects. On the trademark infringement and unfair competition claims, the district court found no likelihood of confusion, noting specifically that PETRO is "merely descriptive and a fairly weak mark." Petro Stopping now appeals.

---

[1] Although the term PETRO CARD had appeared alone on a canopy at one of James River's facilities, that display was removed prior to the filing of the present suit. The signs at that facility now display the mark JAMES RIVER PETRO CARD in its entirety.

II.

A.

To prove trademark infringement, a plaintiff must show both that it has a valid, protectible trademark and that the defendant's use of a "reproduction, counterfeit, copy, or colorable imitation," 15 U.S.C. at 1114(1), creates a likelihood of confusion. *Lone Star Steakhouse & Saloon, Inc. v. Alpha of Va., Inc.*, 43 F.3d 922, 930 (4th Cir. 1995). Although Petro Stopping sometimes conflates these two distinct elements in its arguments to this court, only the second requirement -- likelihood of confusion -- is at issue in this appeal.[2] In determining whether a plaintiff has demonstrated likelihood of confusion, courts of this circuit are guided by the factors announced in *Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1527 (4th Cir. 1984). A court should consider (1) the strength or distinctiveness of the plaintiff's mark, (2) the similarity of the two parties' marks, (3) the similarity of the goods and services the marks identify, (4) the similarity of the facilities the two parties use in their businesses, (5) the similarity of advertising used by the two parties, (6) the defendant's intent, and (7) actual confusion. These factors are not of equal importance or equal relevance in every case. *Id.*

This circuit reviews district court determinations regarding likelihood of confusion under a clearly erroneous standard. *Id.* at 1526. We may find a district court's conclusions clearly erroneous only when there is no evidence in the record to support those conclusions or when, upon review of the record ourselves, we are left with a definite and

---

[2] Whether the district court erroneously classified Petro Stopping's marks as descriptive for purposes of the marks' validity and protectibility is irrelevant to this appeal because neither party disputes the validity of Petro Stopping's marks. The question whether the district court properly characterized PETRO as descriptive and weak with respect to the first likelihood of confusion factor -- strength of the mark -- is a different issue that will be considered herein.

firm conviction that a mistake has been committed. *Id.* We have previously recognized that likelihood of confusion is an inherently factual issue. *Lone Star Steakhouse*, 43 F.3d at 933. In this appeal, where only this type of factual determination is contested and the decision was rendered after a two-day bench trial, the standard of review is a deferential one requiring appellate respect for the trial court's findings.

B.

The district court found that the first Pizzeria Uno factor -- the strength of the plaintiff's mark -- favored a finding of no likelihood of confusion because PETRO is descriptive and weak. Petro Stopping first contends that because eight of its PETRO marks are incontestable, the district court was legally precluded from reaching its conclusion. The company claims that the Supreme Court's decision in *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc.*, 469 U.S. 189, 83 L. Ed. 2d 582, 105 S. Ct. 658 (1985), forecloses any argument by James River that PETRO is descriptive.

We disagree. Petro Stopping misapprehends the Park 'N Fly holding and confuses the issue of a trademark's validity with the separate inquiry into a mark's strength for purposes of the likelihood of confusion determination. In *Park 'N Fly*, the Supreme Court held that a defendant in an infringement suit cannot claim that an incontestable mark is merely descriptive and therefore invalid and undeserving of any protection. The Court did not hold, however, that the descriptive nature of a mark may not be considered in the separate likelihood of confusion inquiry. This characterization of the Court's holding is confirmed by the Trademark Law Revision Act of 1988, which amended one of the Lanham Act's incontestability provisions to clarify that "such conclusive evidence of the right to use the registered mark shall be subject to proof of infringement." Pub. L. No. 100-667, at 128(b)(1), 102 Stat. 3935, 3945 (codified at 15 U.S.C. at 1115(b)) (emphasis added).

We recognized this crucial distinction in *Lone Star Steakhouse*. There the district court had concluded that the incontestability of the mark in question was dispositive of the likelihood of confusion inquiry. After considering *Park 'N Fly*, the holdings of other circuits, and the opinions of the commentators on this issue, we stated:

> We agree with the above reasoning that incontestability affects the validity of the trademark but does not establish the likelihood of confusion necessary to warrant protection from infringement. Likelihood of consumer confusion remains an independent requirement for trademark infringement. . . . [We] hold that we are free to address whether Plaintiffs' incontestable trademark is descriptive or suggestive in determining whether the likelihood of consumer confusion exists in this case.

Lone Star Steakhouse, 43 F.3d at 935. Similarly, in *Shakespeare Co. v. Silstar Corp. of Amer., Inc.*, 110 F.3d 234, 238-40 (4th Cir.), *cert. denied*, 1998 U.S. LEXIS 51, 66 U.S.L.W. 3455 (U.S. Jan. 12, 1998), we held that although a district court cannot cancel an incontestable trademark on grounds of functionality or descriptiveness, it can and should consider those grounds when determining whether likelihood of confusion has been established. Thus, our precedent squarely forecloses the argument Petro Stopping seeks to raise in this appeal.

The company next claims that the district court was precluded from finding PETRO to be descriptive and weak because the PTO had already found its marks to be at least suggestive. The PTO requires applicants with marks found to be descriptive to prove that the marks have secondary meaning before granting registration. 15 U.S.C. at 1052(f). Because the PTO did not require such proof with respect to Petro Stopping's applications for registration, it can safely be assumed that the PTO believed the marks were at least suggestive. *Lone Star Steakhouse*, 43 F.3d at 934. Relying on *RFE Indus., Inc. v. SPM Corp.*, 105 F.3d 923, 926 (4th Cir.),

cert. denied, 138 L. Ed. 2d 1015, 117 S. Ct. 2512 (1997), Petro Stopping argues that a district court is not free to substitute its own finding for that of the PTO. Despite the PTO's apparent conclusions, we find no clear error in the district court's determination that PETRO is a descriptive, weak mark.

Although courts should accord deference to the PTO's findings when assessing the strength of a mark under the likelihood of confusion test, *see Pizzeria Uno*, 747 F.2d at 1534, the PTO's "determination is not conclusive." *Id.* The fact that the PTO does not view a mark as descriptive serves only as prima facie evidence that the mark is suggestive. Accordingly, the presumption may be rebutted by the defendant. *Id.*; *see also Champions Golf Club, Inc. v. The Champions Golf Club, Inc.*, 78 F.3d 1111, 1118 (6th Cir. 1996) (remanding to district court "to determine whether the mark is descriptive or suggestive" despite noting that PTO's registration created presumption that mark was not descriptive).

More significantly, the placement of a mark in either the suggestive or descriptive category is merely the first step in assessing the strength of a mark for purposes of the likelihood of confusion test. *Lang v. Retirement Living Publ'g Co.*, 949 F.2d 576, 581 (2d Cir. 1991); *Western Publ'g Co. v. Rose Art Indus., Inc.*, 910 F.2d 57, 61 (2d Cir. 1990); *Miss World (UK) Ltd. v. Mrs. America Pageants, Inc.*, 856 F.2d 1445, 1449 (9th Cir. 1988). Even a mark held to be suggestive may be found weak under the first likelihood of confusion factor. *See Estee Lauder Inc. v. The Gap, Inc.*, 108 F.3d 1503, 1509-11 (2d Cir.1997) (finding mark suggestive, but holding district court's conclusion that mark was moderately strong to be clearly erroneous). The strength of a mark "'ultimately depends on the degree to which the designation is associated by prospective purchasers with a particular source.'" *Id.* at 1510 (quoting *Restatement (Third) of Unfair Competition* at 21 cmt. i (1995)). Thus, courts must examine, in addition to the mark's characterization as suggestive or descriptive, the

extent of secondary meaning a mark has acquired in the eyes of consumers. *Lang*, 949 F.2d at 581; *Western Publ'g*, 910 F.2d at 61; *Miss World (UK)*, 856 F.2d at 1449. This secondary meaning evidence may also serve to rebut the presumption arising from PTO action that a mark is not descriptive.

The district court considered just such evidence of secondary meaning, customer confusion, and third-party use in finding PETRO to be descriptive and weak. The court specifically found that "in the present context, PETRO does not have secondary meaning in the card lock business." It also concluded that the lack of customer confusion evidence confirmed the weakness of PETRO as a mark. Finally, the district court found that a "number of other companies commonly use PETRO to describe petroleum related goods and services." In reviewing the record on which the district court based its conclusion, we are not left with a definite and firm conviction that a mistake has been made.

Substantial evidence existed in the record showing the considerable number of third-party registrations and uses of the term PETRO. James River submitted evidence showing that over 2,700 businesses in the United States use PETRO as part of their name. The company also submitted evidence showing that 117 third-party federal registrations or applications for registration contain the word PETRO, sixty-three of which are for use in connection with petroleum or fuel-related goods and services. Even before Petro Stopping registered its first service mark for PETRO STOPPING CENTER in 1982, forty-two other marks including the term PETRO existed on the trademark register.

Petro Stopping argues, however, that evidence of third-party registrations alone is insufficient to conclude that a mark is weak. The company maintains that only proof that third parties actually use the term PETRO would be relevant. We disagree. The frequency with which a term is used in other trademark registrations is indeed relevant to the distinctiveness inquiry under the first likelihood of confusion

factor. *Pizzeria Uno*, 747 F.2d at 1530-31. This is especially true when the number of third-party registrations is great. For example, in *Amstar Corp. v. Domino's Pizza, Inc.*, 615 F.2d 252, 259-60 (5th Cir. 1980), the court found it impossible to dismiss evidence of seventy-two third-party registrations in the PTO of the appellant's mark. *See also Estee Lauder*, 108 F.3d at 1511 (weakness of mark demonstrated by fact that over seventy trademark registrations, pending applications for registration or renewal, or publications-for-opposition included the term used in plaintiff's mark). "Specifically, third-party registrations are 'relevant to prove that some segment of the composite marks which both contesting parties use has a normally understood and well-recognized descriptive or suggestive meaning, leading to the conclusion that that segment is relatively weak.'" *First Sav. Bank, F.S.B. v. First Bank Sys., Inc.*, 101 F.3d 645, 654 (10th Cir. 1996) (quoting 1 J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition* at 11.27[2][b] (3d ed. 1995)). Therefore, the abundant evidence of third-party registration and use of the term PETRO solidly supports the district court's conclusion that PETRO is a fairly weak mark.

Finally, Petro Stopping's own representations to the PTO in 1981 undercut the company's current arguments to this court. At that time, the PTO objected to registration of Petro Stopping's service mark because of likelihood of confusion with previously registered trademarks that included the term PETRO. Petro Stopping contended then that, because of the wide use and registration of PETRO as part of composite trademarks, "the term 'Petro' is entitled to a very narrow scope of protection." The company further urged "that the term is extremely dilute and entitled to a weak scope of protection." Petro Stopping now asks this court to accept precisely the opposite proposition. The company's promotion of, and commerce under, its service marks may have strengthened them since the time of its trademark counsel's representations. However, in light of the considerable number of federally registered trademarks using the term PETRO, and the extent of its use by businesses generally, the strength of

Petro Stopping's marks must be understood to be confined to the field for which they are registered, namely truck stop services. *See Amstar Corp.*, 615 F.2d at 260 ("The third-party uses and registrations discussed above merely limit the rotection to be accorded plaintiff's mark outside the uses to which plaintiff has already put its mark."). In Petro Stopping's own words, outside of truck stop services its mark is "entitled to a weak scope of protection." In short, the district court's conclusion that PETRO is a descriptive and weak mark is not a clearly erroneous one.

C.

Petro Stopping next argues that the district court erred by finding the two companies' marks to be dissimilar. Petro Stopping contends that the district court should have focused on the similarities between the marks rather than emphasizing the dissimilarities. This argument fails to persuade. In assessing similarity of marks under the second Pizzeria Uno factor, courts generally focus on the dominant portions of parties' marks. *Lone Star Steakhouse*, 43 F.3d at 936; *Pizzeria Uno*, 747 F.2d at 1534-35. This practice does not mean that courts confine their scrutiny merely to similarities. Because every triable case of trademark infringement involves marks that are similar at some level, Petro Stopping's rule would obviate the need for courts ever to inquire into the second *Pizzeria Uno* factor.

We noted in *Pizzeria Uno* that an overall test under this factor is whether there exists a "similarity in appearance and sound which would result in confusion." *Id.* at 1534. Here, the companies' two marks present entirely different appearances. Petro Stopping's service mark is displayed in green, white, and red-orange. James River's mark utilizes red, blue, white, and sometimes gray. Petro Stopping's mark never contains the words "James River," never includes a JR logo, and never is portrayed with horizontal lines suggesting movement. To the extent that the James River mark has a dominant portion, it appears to be the large JR logo, not the term PETRO. Because of these marked differences in appearance, we do not

find the district court's conclusion under this factor to be clearly erroneous.

Petro Stopping next maintains the district court erred by finding the third and fourth Pizzeria Uno factors -- similarity of goods, services, and facilities -- to support a finding of no likelihood of confusion. Besides the sale of fuel, the two parties' services and facilities differ in virtually every respect. Petro Stopping's travel center facilities offer, among other services, maintenance, weighing scales, truck washes, restaurants, retail stores, fax and ATM machines, showers, laundry, quiet rooms, game rooms, television rooms, movie theaters, and even barber shops. James River's facilities sell only fuel. Petro Stopping's travel center sites are located adjacent to interstate highways near the exits and usually occupy anywhere between fifteen to thirty acres of land. James River's card lock facilities are not visible from interstate highways, not located at interstate exits, and normally occupy only one acre or less of land. Even Petro Stopping's own Chief Executive Officer admitted that the distinctive design utilized by his company's facilities would suffice to distinguish them from a hypothetical truck stop using the term PETRO if opened by another company within twenty miles. Even if these stark differences did not suffice, it would be nearly impossible for a person seeking a Petro Stopping facility to be lured into purchasing fuel at a James River station because the latter accepts only cards issued by James River or other CFN members as a means of payment. The district court's findings under the third and fourth factors, therefore, were not clearly erroneous.

Petro Stopping next argues that the district court erred by finding that the fifth Pizzeria Uno factor -- similarity of advertising -- supported a finding of no likelihood of confusion. The company contends specifically that James River promotes its services in the CFN directories, in a manner similar to Petro Stopping's own promotion of its services in truck stop directories. We are not persuaded. It is true that the CFN directories, which are available only to

members of the CFN network and not to the public generally, do list the James River stations as member companies. However, because truck drivers whose employers hold an account with a CFN member probably would frequent only those facilities at which they can purchase fuel through their account, the listing of James River's facilities in the CFN directories is unlikely to create confusion with Petro Stopping's travel centers. Furthermore, Petro Stopping ignores important differences between the types of advertising practiced by each company. Petro Stopping advertises in radio spots, in publications directed at truckers, on billboards, and on VDOT exit signs. The company emphasizes the diversity of services available at its facilities. James River has run only limited advertisements in small, local newsletters. The company promotes the advantages of the card lock system, not the variety of available services. We identify no clear error in the district court's finding under the similarity of advertising factor.

Finally, Petro Stopping claims that the district court erred under the last Pizzeria Uno factor -- actual confusion. The district court found that there was little evidence of such confusion in the record. Petro Stopping maintains that courts normally accord significance to even one instance of actual confusion. This argument, however, sweeps too broadly. Petro Stopping submitted evidence showing it is a significant commercial actor in the truck stop industry. Inlight of its huge volume of commerce, Petro Stopping's meager evidence of actual confusion is at best de minimis. *Universal Money Ctrs., Inc. v. American Tel. & Tel. Co.*, 22 F.3d 1527, 1535 (10th Cir. 1994). At worst, the company's failure to uncover more than a few instances of actual confusion creates a "presumption against likelihood of confusion in the future." *Amstar Corp.*, 615 F.2d at 263. We perceive no clear error in the district court's determination under this final factor.

III.

The district court's findings on each of the Pizzeria Uno factors were firmly grounded in the evidence. We also hold

that the district court's ultimate finding of no likelihood of confusion, based on its overall perception of the evidence adduced at trial, is not a clearly erroneous one. For the foregoing reasons, we affirm the judgment of the district court.

AFFIRMED

UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF VIRGINIA,
RICHMOND DIVISION

PETRO SHOPPING CENTER, L.P.,

Plaintiff,

v.

JAMES RIVER PETROLEUM, INC.

Defendant.

Civil Action No. 3:96CV530

January 17, 1997, Decided
January 17, 1997, FILED

DISPOSITION: Judgment entered for the defendant on all the counts.

COUNSEL: For PETRO STOPPING CENTERS, L.P., plaintiff: Thomas Willcox Brooke, Gadsby & Hannah, Washington, DC. Carol L.B. Matthews, Gadsby & Hannah, Washington, DC. Mackay Morris Boyer, Richmond, VA. Caroline Adair Leonard, Gadsby & Hannah, Washington, DC.

For JAMES RIVER PETROLEUM, INC., defendant: Julie Marie Whitlock, Thorsen, Marchant & Scher, Richmond, VA. Edward E. Scher, Thorsen Marchant & Scher, Richmond, VA.

JUDGES: Robert R. Merhige, Jr., UNITED STATES DISTRICT JUDGE

OPINION BY: Robert R. Merhige, Jr.

OPINION: MEMORANDUM

The Court heard evidence on this matter on December 2, 1996 and plaintiff's complaint is now ripe for disposition. Plaintiff has sued defendant for trademark infringement, federal unfair competition, federal dilution, Virginia false advertising and common law trademark infringement and unfair competition. Plaintiff is a limited partnership that offers a broad range of truck stop-related services under the registered trademark of PETRO. Defendant, James River Petroleum, is in the business of petroleum distribution and has expanded into the "card lock" business. In that business, customers are generally commercial owners of fleets of cars and/or trucks, who purchase accounts that permit drivers of their vehicles to use payment cards at un-staffed self-service petroleum fueling stations. Defendant uses the name and mark JAMES RIVER PETRO CARD at its stations. Plaintiff claims that this name infringes upon its federally registered name; defendant's use of the name is likely to cause confusion among customers, and that defendant has willfully continued to infringe upon plaintiff's trademark after receiving notice of this lawsuit.

Trademark Infringement and Unfair Competition

An action for trademark infringement and unfair competition under the Lanham Act involves the same elements as actions under common law trademark infringement and unfair competition. To prevail, the plaintiff must demonstrate that it owns a valid protectable trademark and that the defendant's use of an imitation is likely to cause confusion. *Lone Star Steakhouse and Saloon v. Alpha of Virginia*, 43 F.3d 922, 930 (4th Cir. 1995). The plaintiff need not prove actual confusion to obtain relief. But if the defendant can prove that plaintiff's mark is merely generic than trademark law does not protect the mark from infringement.

A. Is PETRO a valid protectable trademark?

The Court finds that PETRO is a descriptive mark. Plaintiff has registered a number of marks which use the word PETRO in combination with other words. The Fourth Circuit has held that federal registration creates a strong presumption that a mark is not generic. *Convenient Food Mart. Inc. v. 6-Twelve Convenient Mart, Inc.* 870 F.2d 654 (4th Cir. 1989)(affirming opinion below). Defendant must prove that plaintiff's mark is not generic.

Defendant claims that PETRO is generic for petroleum, and that plaintiff could not register PETRO by itself because it is generic. All of plaintiff's marks combine PETRO with other words so that the entire phrase escapes genericism. The mark PETRO, however, may still be entitled to protection even though it is not registered separately. As the Fourth Circuit held in *Pizzeria Uno*, courts should look to the dominant word in a composite word trademark to judge infringement. *Pizzeria Uno Corp.v. Temple*, 747 F.2d 1522, 1530 (4th Cir.1984).

The Court finds that PETRO is not generic. At least, it is descriptive of truck stop services to relevant members of the purchasing public. Having determined that the mark is not generic, the Court turns to the likelihood of confusion analysis.

B. Likelihood of Confusion

To prove trademark infringement plaintiff must prove that a likelihood of confusion exists. To prove likelihood of confusion, the Fourth Circuit has focused on seven major factors: 1) the strength or distinctiveness of the mark; 2) similarity of the marks; 3) similarity of the goods and services that the marks identify; 4) similarity of the facilities the two parties use in their businesses; 5) similarity of advertising

used by the two parties; 6) the defendant's intent; 7) actual confusion. *Pizzeria Uno*, 747 F.2d at 1527. Courts need not weigh each factor equally, and may only consider those factors relevant to the dispute at hand when deciding the question of likelihood of confusion. *Anheuser-Busch*, 962 F.2d 316, 320 (4th Cir. 1992); *Lone Star*, 43 F.3d at 933.

The Court turns first to the paramount factor, the strength of the mark. When addressing this question, courts have categorized marks submitted for registration into four classes in increasing order of strength or distinctiveness: 1) generic; 2) descriptive; 3) suggestive; 4) arbitrary. Lone Star, 43 F.3d at 933. *See Abercrombie & Fitch v. Hunting World, Inc.*, 537 F.2d 4, 9 (2nd Cir. 1976). While PETRO is not generic, it is not arbitrary or suggestive either. When deciding whether a mark is descriptive or suggestive the Fourth Circuit held that "the first step in the application of such rules is to ascertain whether the mark is descriptive of some characteristics of the product or whether it merely intimates or suggest some idea of the product." *Pizzeria Uno*, 747 F.2d at 1533. PETRO is obviously a shortened version of petroleum and describes the petroleum related goods and services that plaintiff sells. It describes the main ingredient of plaintiff's product.

A descriptive mark only receives trademark protection if it has acquired secondary meaning. *Pizzeria Uno*, 747 F.2d at 1527. "To establish secondary meaning, a manufacturer must show that, in the minds of the public, the primary significance of a product feature or term is to identify the source of the product rather than the product itself." *Dayton Progress Corp. v. Lane Punch Corp.*, 917 F.2d 836, 839 (4th Cir. 1990) quoting *Inwood Laboratories v. Ives Laboratories*, 456 U.S. 844, 851, 72 L. Ed. 2d 606, 102 S. Ct. 2182 (1982). In the present context, PETRO does not have secondary meaning in the card lock business. Plaintiff presented very little evidence of customer confusion with the James River Petro Card and the PETRO mark. A number of other companies commonly use PETRO to describe petroleum related goods and services. A consumer seeing PETRO card does not assume that

plaintiff issued the card. Thus, the Court finds PETRO to be merely descriptive and a fairly weak mark.

While sharing similarities in design, the two marks are definitely distinguishable. Both parties write PETRO with stylized, slanting letters. The two parties, however, use different colors on their signs and the defendant has wavy lines suggesting movement before the letter P. Although the defendant usually has James River with PETRO CARD, it is significant that the company sets the PETRO CARD phase apart from the rest of the words on its sign. *Pizzeria Uno*, 747 F.2d at 1535. In *Pizzeria Uno*, the Fourth Circuit emphasized that setting apart the contested mark *Uno* from the other words supported a conclusion of a likelihood of confusion. In the case at bar, however, the different colors as well as the wavy lines do differentiate defendant's mark from plaintiff's fairly clearly.

The third factor, the similarity of the goods and services identified by the mark, strongly supports a finding that no likelihood of confusion exists. The two parties do not dispute that the plaintiff uses its mark to identify a wide range of truck stop related services. The two disagree on the services defendant provides. The evidence deduced at trial proves defendant's contention that it is a "gas station with nobody home." Defendant does not provide the wide array of other services at its facilities that the plaintiff does. One of defendant's stations has a convenience store; it is owned by another company. Another facility has a restaurant next door; defendant cannot be responsible for commerce surrounding it. Plaintiff points to defendant's listing in various CFN Service Directories as proof that defendant offers the same goods and services as itself. Plaintiff, however, can not support its argument with evidence from defendant's actual sites.

Defendant's characterization of its business is further borne out when the Court considers the lack of similarity between the two facilities. Plaintiff's facilities are huge complexes that cover 15 to 30 acres. They have room for approximately 400-500 cars and trucks and provide

restaurants, showers, laundry rooms, television rooms and other services. Defendant's facilities are much smaller typically averaging an acre of land and rarely offer anything other than fuel. They house gas pumps and little else, often not even a cashier. Plaintiff argues that both parties place their facilities near major highways. Any company in the petroleum business would locate its business near the highways. The great differences between the facilities cut against a finding of likelihood of confusion.

The Court finds that the advertising between the two parties is not likely to cause confusion. Defendant's ads emphasize the card lock system while plaintiff's ads stress the variety of services they provide. The Court is also unpersuaded by plaintiff's argument that defendant intentionally infringed upon its trademark. There is little evidence of actual confusion between the two facilities. Customers generally seem able to distinguish between plaintiff's huge stations with many amenities and defendant's much smaller fueling facilities.

After weighing the likelihood of confusion factors, the Court finds that there is no likelihood of confusion between the marks of the parties. Thus the Court will find that defendant has not infringed upon plaintiff's trademark nor it is liable for unfair competition under both federal and common law.

Dilution Claim

The Court will find for the defendant on this claim. 15 U.S.C. at 1125(c)(1) protects "famous marks [from] dilution of the distinctive quality of the mark." Plaintiff has failed to present adequate evidence that its mark is famous. "To be capable of being diluted, a mark must have a degree of distinctiveness and 'strength' beyond that needed to serve as a trademark." *McCarthy on Trademarks*. Plaintiff has not proved that its mark is so inherently distinctive that it

functions as a source indicator in the absence of secondary meaning

Virginia False Advertising

To prove false advertising under Virginia law, the plaintiff must prove that James River made an advertisement that "contains a promise, assertion, representation, or statement of fact which is untrue, deceptive or misleading." Va. Code at 18.2-216. Plaintiff did not present any evidence that James River made such an advertisement. Accordingly, the Court will find for the defendant on this count.

Robert R. Merhige, Jr.
UNITED STATES DISTRICT JUDGE
DATE: JAN 17 1997

JUDGMENT ORDER

This case is before this Court on plaintiff's suit for federal and common law trademark infringement, federal and common law unfair competition, federal dilution, and Virginia false advertising. For the reasons stated in the Memorandum this day filed, and deeming it just and proper so to do it is

ADJUDGED and ORDERED that judgment is entered for the defendant on all the counts.

Let the clerk send copies of this Order to counsel of record.

Robert R. Merhige, Jr.
UNITED STATES DISTRICT JUDGE, JAN 17 1997

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF PENNSYLVANIA

MERCHANT & EVANS, INC.

v.

ROOSEVELT BUILDING PRODUCTS CO., INC.

CIVIL ACTION No. 90-7973

December 20, 1991, Filed;
December 23, 1991, Entered

COUNSEL: FOR THE PLAINTIFF:

ERIC L. SETTLE, [COR LD NTC], LAUREN P. MC KENNA, [COR LD NTC], FOX, ROTHSCHILD, O'BRIEN & FRANKEL, 2000 MARKET STREET, 10TH FL., PHILA, PA 19103, USA.

STEVEN R. WAXMAN, [COR LD NTC], FOX, ROTHSCHILD, O'BRIEN & FRANKEL, 2000 MARKET STREET, 10TH FLOOR, PHILADELPHIA, PA 19103, USA.

FOR THE DEFENDANT:

ROBERT W. HAYES, [COR LD NTC], COZEN & O'CONNOR, 1900 MARKET STREET, THE ATRIUM-THIRD FLOOR, PHILA, PA 19103, USA.

CRAIG PINKUS, [COR LD NTC], DUTTON & OVERMAN, 36 PENNSYLVANIA STREET, 1710 CENTURY BUILDING, INDIANAPOLIS, IN 46204, USA.

FOR THE COUNTER-CLAIMANTS:

ROBERT W. HAYES, [COR LD NTC], COZEN & O'CONNOR, 1900 MARKET STREET, THE ATRIUM-THIRD FLOOR, PHILA, PA 19103, USA.

CRAIG PINKUS, [COR LD NTC], DUTTON & OVERMAN, 36 PENNSYLVANIA STREET, 1710 CENTURY BUILDING, INDIANAPOLIS, IN 46204, USA.

FOR THE COUNTER-DEFENDANT:

STEVEN R. WAXMAN, [COR LD NTC], FOX, ROTHSCHILD, O'BRIEN & FRANKEL, 2000 MARKET STREET, 10TH FLOOR, PHILADELPHIA, PA 19103, USA.

JUDGES:	HUTTON
OPINION BY:	HERBERT J. HUTTON
OPINION:	MEMORANDUM AND ORDER

HUTTON, J.

December 19, 1991

Plaintiff, Merchant & Evans, Inc. ("Merchant & Evans"), manufactures and sells a metal roofing system which is marketed under the registered trademark "Zip-Rib". A unique aspect of this roofing system is the distinctive profile of the roofing panels. In 1990, the defendant, Roosevelt Building Products Co., Inc. ("Roosevelt"), began manufacturing and marketing an identical roofing system.

By Order dated August 16, 1991, this Court granted preliminary injunctive relief. The Court found, inter alia, that

Merchant & Evans had demonstrated a likelihood of success on the merits of its claim for trade dress infringement and trademark infringement. The Court entered an Order which enjoined the defendant from continued infringement of the trade dress and the trademark, and further prohibited the unauthorized use of confidential, proprietary business information regarding Merchant & Evans. The Order became effective on August 21, 1991 when plaintiff posted the requisite bond.

In this motion to stay preliminary injunction pending appeal defendant avers that it will suffer irreparable harm if a stay is not granted. Plaintiff opposes this motion contending that the defendant is unlikely to succeed on appeal and the harm suffered to Merchant & Evans by granting the stay far out weighs the hardship to the defendant by denying the stay.

DISCUSSION

Pursuant to Federal Rule of Civil Procedure 62(c), a district court may "suspend, modify, restore or grant" an injunction during the pendency of an appeal from an interlocutory or final judgement either granting or denying the injunction. "[The movant] will be required to show a great likelihood that he will prevail when his case finally comes to be heard on the merits and he must show irreparable injury from a denial of interim relief." 8 C.Wright and A. Miller Federal Practice and Procedure, § 2904 321-22 (1973); See also *Sentry Ins. v. Pearl, 662 F.Supp. 1171, 1173 (E.D.Pa. 1987),* aff'd without op *833 F.2d 307 (3d Cir. 1987); Washington Metropolitan Area Transit Com. v. Holiday Tours, Inc., 559 F.2d 841, 843 (D.C. Cir. 1977).*

A court must consider the same factors which are considered when seeking a preliminary injunction. *Sentry Ins., 662 F.Supp. at 1173.* Thus, a stay pending appeal will be granted only when the movant has shown:

(1) he will likely prevail on the merits;

(2) he will suffer irreparable injury if the stay is denied;

(3) other paries will not be substantially harmed by the stay; and

(4) the public interest will be served by granting the stay.

Harris v. Pernsley, 654 F.Supp. 1057 (E.D. Pa. 1987). No single factor will determine the outcome. *Republic Industries, Inc. v. Central Pennsylvania Teamsters Pension Fund, 537 F.Supp. 1036 (E.D. Pa. 1982).* Instead, the court will balance all of the elements. *Eastern Milk Producers Coop. Ass'n v. Lehigh Valley Coop. Farmers, Inc., 448 F.Supp. 471 (E.D. Pa. 1978)* aff'd, *582 F.2d 1273 (3d Cir. 1978).*

Merits of Appeal

In order to establish likelihood of success on appeal, the defendant must show that the appeal presents a "difficult legal question" (*Republic Industries, 537 F.Supp. at 1036),* or that there are substantial questions presented as to the validity of the court's decision. *Charlie's Girls, Inc. v. Revlon, Inc., 483 F.2d 953, 54 (2d Cir. 1973).* Here, the defendant has failed to make this showing with respect to all issues except the issue raised in connection with this Court's ruling on the trade secret claim.

Trade Dress Protection

The plaintiff seeks trade dress protection for a design aspect that was not the subject of patent protection: the nonfunctional shape of the standing seam. The seam, when viewed in profile, has a unique "bulb and hook" profile which Merchant & Evans seeks to protect as trade dress under section 43(a) of the Lanham Act. The plaintiff does not seek trade dress protection over all rounded seams. The plaintiff's trade dress claim is based solely on the "bulb and hook" profile which has specific proportions and is easily identifiable.

To establish a claim for unprivileged imitation of a product's appearance under section 43(a) of the Lanham Act, the plaintiff must show:

> (1) that the imitated feature is nonfunctional, (2) that the imitated feature has acquired a "secondary meaning," and (3) that consumers are likely to confuse the source of the plaintiff's product with that of defendant's product.

American Home Products Corp. v. Barr Laboratories, Inc., 834 F.2d 368, 370 (3d Cir. 1987) (citing *American Greetings Corp. v. Dan-Dee Imports, Inc., 807 F.2d 1136, 1141 (3d Cir. 1987).*

Functionality

The Third Circuit has found that the plaintiff bears the burden of establishing the absence of functionality in a claim arising under § 43(a) of the Lanham Act. *American Greetings Corp., 807 F.2d at 1141* ("To establish unprivileged imitation, whether of a single feature or a combination of features, it must be shown that the feature or over-all combination of features imitated is non-functional"). Accord *Kwik-Site Corp. v. Clear View Mfg. Co., 758 F.2d 167 (6th Cir. 1985); Ambrit, Inc. v. Kraft, Inc., 812 F.2d 1531 (11th Cir. 1986)* cert. denied *481 U.S. 1041 (1987).*

The defendant argues that the plaintiff failed to meet this burden of proof, and that the Court erred in concluding that the shape of the roofing seam profile is nonfunctional. The defendant asserts that this case is "indistinguishable" from *Keene Corp. v. Paraflex Industries, Inc., 653 F.2d 822, 827 (3d Cir. 1981).* In that case, the Third Circuit held that the defendant was entitled to market an exact copy of the plaintiff's light fixture even though this design had come to be recognized as the plaintiff's product. The products were wall-mounted "luminaries". The court found that the shape of the luminaries were compatible with certain architectural designs.

Thus, the issue before the court was whether such an aesthetic use was a "function" within the meaning of the Lanham Act.

The Court reviewed the doctrine of aesthetic functionality as it then existed in the Ninth Circuit. In *Pagliero v. Wallace China Co., 198 F.2d 339, 343 (9th Cir. 1952)*, the Ninth Circuit held that "If a particular feature is an important ingredient in the commercial success of the product, the interest in free competition permits its imitation in the absence of a patent or copyright." The Third Circuit found this approach inadequate since "it provides a disincentive for development of imaginative and attractive design. The more appealing the design, the less protection it would receive." *Keene 653 F.2d at 825.* The Third Circuit thus rejected the aesthetic functionality approach, in favor of an examination of the utility of a design feature. [1] The court stated:

> Instead [of aesthetic functionality], the inquiry should focus on the extent to which the design feature is related to the utilitarian function of the product or feature. When the design itself is not significantly related to the utilitarian function of the product, but is merely arbitrary, then it is entitled to protection as a design trademark if it has acquired the distinctiveness necessary to achieve a secondary meaning.

Id. The court concluded that "Proof of nonfunctionality generally requires a showing that the element of the product serves no purpose other than identification." *Id. at 826* (quoting *SK&F, Co. v. Premo Pharmaceutical Laboratories, Inc., 625 F.2d 1063 (3d Cir. 1980).*

The Court of Appeals then reviewed the district court's finding of functionality. First, the court looked to the record

---

[1] The defendant argues that the case must present a difficult issue of law since the Court recognized that the Appellate Courts were not in agreement regarding the doctrine of aesthetic functionality. This argument ignores the clear resolution of this issue by the Third Circuit.

developed at the preliminary injunction hearing. Upon reviewing this record the court found "we cannot denominate as clearly erroneous the district court's finding that the design of the luminaire was functional to a sufficient extent that on the balance the interest in free competition in interest in having the exclusive right to the design of the [luminaire]." *Keene, 653 F.2d at 826.*

The court next examined the plaintiff's argument that the district court failed to consider whether competition would be substantially hindered by restricting the copying of the luminaire. The court reviewed the district court's decision and found that "Because there are only a limited number of configurations or designs for a luminaire which are architecturally compatible with the type of structures on which they are placed, the selection of a luminaire design does not have the unlimited boundaries of a wine bottle or ashtray design, and the court's finding that competition will be stifled is again not clearly erroneous." *Id. at 827.*

Thus, under Keene, a design feature is functional when it is significantly related to the utilitarian function of the product. In making this evaluation, the court must consider whether prohibition of imitation by others will deprive the marketplace of competitiveness. This can be evidenced, inter alia, by the range of possible configurations or designs that might manifest in the contested design aspect. Thus, the mere fact that other possible designs for a particular product are available is not the dispositive inquiry. Instead, the court must attempt to evaluate the affect that removing the one disputed design from the marketplace will have on the over-all competitiveness of the marketplace.

The present case is strikingly dissimilar to *Keene*. Here, the evidence clearly indicates that although there are over 100 competitors in this market, the plaintiff's unique seam profile is readily distinguishable from all other metal roofs. (Transcript May 2, 1991, at 38). Thus, unlike the luminaries in Keene, the roofing system in this case is not constrained by "a limited number of configurations or designs . . ." *Keene*

653 F.2d at 827. Nor is there any evidence that the "bulb and hook" configuration is the "best" design as was the case in *U.S. Golf Ass'n. v. St. Andrews Systems, Data-Max, Inc., 749 F.2d 1028, 1034 (3d Cir. 1984).* Since a wide variety of possible shapes exist in the marketplace, the court may consider whether, in light of the multitude of manifestations, the bulb and hook shape of the plaintiff's roofing seam served "no purpose other than identification."

In this case, the plaintiff established that the only significance of the bulb and hook design to the market was to identify the product with Merchant & Evans. Harold Lichtman ("Lichtman") testified as plaintiff's expert witness on the practices of the architectural market for standing seam roofing products. The unrefuted testimony of Lichtman was that the plaintiff's product, which combines a two and a half inch seam with a rounded top of regular and consistent proportion, when considered as a whole, "presents a unique shape that allows it to be used in places where it may be visible to the public and present another aesthetic that's not available from other manufacturers." (Transcript May 3, 1991 at 65). Moreover, Lichtman testified that the bulb and hook profile was immediately identifiable to the marketplace as being a Merchant & Evans product. (Transcript, May 3, 1991 at 68).

The plaintiff does not seek trade dress protection over generally rounded seams or two and a half inch high seams. The plaintiff's trade dress is a particular bulb and hook profile of uniform and regular proportion. Other rounded shapes are possible. James R. Buck, the president of Merchant & Evans, stated that rounded seams with a "tight radius" were available on the market. The record indicates that a variety of polygon-shaped seams are also produced. (Transcript May 2, 1991 at 88). The plaintiff's unique trade dress does not extend to rounded seams generally, but to a particular seam profile of unique proportion. This particular profile serves no function.

The defendants have apparently failed to recognize the distinction between the bulb and hook configuration which

plaintiff asserts as trade dress and generically round roofing seams. This confusion is evident in defendant's argument that Buck conceded that round shaped seams function to prevent paint from cracking. Buck's comment was intended to apply to all round seams regardless of their exact proportions. The trade dress protection in this case is not extended to all seams with generally rounded profiles, but to a particular seam configuration with clearly identifiable proportions.

This essential distinction was made clear by Lichtman on cross examination. When questioned regarding what design aspect of the plaintiff's roofing system would be noticeable to a layman, Lichtman stated that it would be the shadow line that was thrown by the standing seam. (Transcript May 3, 1991 at 81). Thus, the bulb and hook design aspect over which plaintiff seeks trade dress protection is clearly nonfunctional.

Secondary Meaning

Secondary meaning "exists when consumers seeking trademark assume that the product it labels came from a particular source." *Interpace Corp. v. Lapp. Inc., 721 F.2d 460, 462 (3d Cir. 1983).* With over 25 years of use, large sales, and an excellent reputation in the market place, the record clearly indicates that secondary meaning is present. The defendant has not appealed this Court's finding that a secondary meaning has attached to the plaintiff's trade dress.

Likelihood of Confusion

The third element which plaintiff must establish for predictability of the trade dress pursuant to section 43(a) of the Lanham Act is likelihood of confusion. The Third Circuit has stated the following factors must be considered in examining this element:

> (1) degree of similarity between the owner's [product] and the alleged infringing [product]; (2)

> the strength of the owner's [product appearance]; (3) the price of the goods and other factors indicative of the care and attention expected of consumers when making a purchase; (4) the length of time the defendant has used the [product] without evidence of actual confusion arising; (5) the intent of defendant in adopting the [product's appearance]; (6) the evidence of actual confusion . . . (7) whether the goods, though not competing, are marketed through the same channels of trade and advertised through the same media; (8) the extent to which the targets of the parties' sales efforts are the same; (9) the relationship of the goods in the minds of the public because of similarity of function; (10) other facts suggesting that the consuming public might expect the prior owner to manufacture a product in the defendant's market.

Scott Paper Co. v. Scott's Liquid Gold, Inc., 589 F.2d 1225, 1229 (3d Cir. 1978).

A lower standard for likelihood of confusion applies where, as here, a newcomer enters an area already occupied by a long-established party. The Third Circuit characterizes this standard as a "possibility of confusion." *Country Floors, Inc. v. Gepner, 930 F.2d 1056, 1065 (3d Cir. 1991); Telechron, Inc. v. Telicon Corp., 198 F.2d 903, 908-09 (3d Cir. 1952).* Where the distinctive trade dress is copied, the possibility of confusion is heightened. *Opticians Ass'n of America v. Independent Opticians of America, 920 F.2d 187.* 195 (3d Cir. 1990). Where the market consists of "professional buyers, or consumers of very expensive goods, [the consumers] will be held to a higher standard of care than others." *Ford Motor Co. v. Summit Motor Products, Inc., 930 F.2d 277, 293 (3d Cir. 1991).*

In this case, the defendant's product was engineered to be visually indistinguishable from the plaintiff's unique and distinctive trade dress. The vice president of the defendant corporation intentionally copied the plaintiff's product.

Moreover, Merchant & Evans and the defendant are direct competitors for the same purchasers and use identical channels of trade.

Where the infringing product is virtually indistinguishable from the plaintiff's product, as here, there is a strong presumption favoring likelihood of confusion. *Opticians Ass'n, 920 F.2d at 195; United States Jaycees v. Philadelphia Jaycees, 639 F.2d 134, 142 (3d Cir. 1981).* This is true even where evidence of actual confusion is not present. *Opticians Ass'n, 920 F.2d at 195; Villager, Inc. v. Dial Shoe Co., 256 F.Supp. 694, 699 (E.D. Pa. 1966).*

Even sophisticated markets can be mislead. *American Manufacturing Co. v. Heald Machine Co., 385 F.2d 456, 458 (C.C.P.A. 1967).* The market which exists for the plaintiff's product is likely to be confused by the defendant's product. The plaintiff has long been associated as the origin of roofing panels bearing the unique trade dress. The products are visually indistinguishable. Thus, in considering which roofing product to buy, the architect or contractor would not be aided by carefully inspecting the product, or product samples as was the case in *Fisher Stoves, Inc. v. All Nighter Stove Works, 626 F.2d 193, 194 (1st. Cir. 1980).*

Indeed, the purchaser relying on the sales brochures and catalogue listings to determine the source of origin of the products would likely be misled by the prominent use in these advertising sources of the trademark or logo under which the products are sold. As discussed below, the substantial similarity of the defendant's trademark would serve only to deepen the likelihood of confusion. This conclusion is well supported by the testimony of Lichtman. When asked "if someone submitted [the defendant's product] to you, would you have any way of knowing what this was?" This question prompted the following exchange:

A. Well, prior to my involvement in this case, I would have presumed it to be a Zip-Rib panel.

Q. Why?

A. Because it has the profile I know to be Zip-Rib.

Q. And, before your involvement in this case, had you ever run across anything that duplicated the Zip-Rib profile?

A. No. Not at all.

(Transcript, May 3, 1991 at 69). Thus, Lichtman's unrefuted testimony establishes that the defendant's product would be mistaken for the plaintiff's product by an expert in the field of architecture. This is "solid evidence" of the likelihood of confusion.

Trademark

Section 15(b) of the Lanham Act, *15 U.S.C. § 1115*(b) establishes an incontestible registration of a trademark as:

> conclusive evidence of the validity of the registered mark and the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce.

In this case, Merchant & Evans has registered "Zip Rib" as a trademark. The registration acts as constructive notice that Merchant & Evans owns exclusive rights to use "Zip-Rib" as a mark for metal roofing systems and related goods. *15 U.S.C. § 1072.*

The Third Circuit has applied a three-part test for protection of trademarks:

> (1) [The plaintiff's] mark is valid and legally protectable; (2) the mark is owned by the plaintiff; and (3) the defendant's use of the mark to identify goods or services is likely to create confusion concerning the origin of the goods or services.

Opticians Association of America, 920 F.2d at 192 (citing PediCare, Inc. v. Pedi-A-Care Nursing Inc., 656 F.Supp. 449, 453 (D.N.J. 1990)). In this case, the defendant has not

contested the validity or ownership of the Zip-Rib mark, and therefore the only issue on appeal will be whether the defendant's mark is likely to create confusion concerning the origin of the products.

The test for determining likelihood of confusion was stated in *J.B. Williams Co. v. Le Connte Cosmetics, 523 F.2d 187, 191* (9th Cir) cert. denied *424 U.S. 913 (1976).* In that case the court required consideration of six factors:

(1) the strength of the marks

(2) the similarity in appearance, sound, and meaning,

(3) the class of goods in question;

(4) the marketing channels;

(5) evidence of actual confusion; and

(6) evidence of the wrongful intention of the defendant.

In this case the plaintiffs presented a "strong" trade mark within the meaning of the test. A mark is strong if it is arbitrary, fanciful or suggestive. *J.B. Williams, 523 F.2d at 192;* see also, *Century 21 Real Estate Corp. v. Sandlin, 846 F.2d 1175 (9th Cir 1988).* A weak mark is one which is "a meaningful word in common usage, or is merely a suggestive or descriptive trademark." *Century 21, 846 F.2d at 1179.* Stated another way, the test of descriptiveness is whether the word as used conveys to the consumer the characteristics, functions, uses or qualities of the product of service. *Blumenfeld Development Corp., 669 F.Supp. at 1318.* Thus, the "Zip Rib" mark is strong not only as an incontestable registration, *Park 'N Fly, Inc. v. Dollar Park & Fly, Inc., 469 U.S. 189 (1985),* but also because it is non-descriptive.

When comparing two marks, the Third Circuit has required that:

> each of the marks must be viewed in its entirety, although "one feature of a mark may be more significant than other features, and it is proper to give greater force and effect to that dominant

> feature." *Giant Food, Inc. v. Nation's Foodservice, Inc., 710 F.2d 1565, 1570 (Fed. Cir. 1983).* When the dominant portions of the two marks are the same, confusion is likely. See, *Century 21 Real Estate Corp. v. Sandlin, 846 F.2d 1175, 1179 (9th Cir. 1988)* (finding Century Investment & Reality confusing similar to Century 21 because of the dominance of the word "Century").

Country Floors, 930 F.2d at 1056 (3d Cir. 1991). A lower standard for likelihood of confusion is applied where, as here, a newcomer enters a market already occupied by a long-established entity. The Third Circuit uses the phrase "possibility of confusion" to describe this standard. See *Id. 930 F.2d at 1065.*

Here, viewing each of the marks in its entirety, one feature common to both marks is clearly more predominant than any other features, and thus it is proper to give greater force and effect to that significant feature. That feature is the use of the letters "Z" and "R". This dominant feature is substantial similar in both of the marks. The letters are capitalized in both marks and the initial letter of the words comprising both marks. When the dominant portions of the two marks are the same, confusion is likely. *Country Floors, 930 F.2d at 1056,* (citing, *Century 21, 846 F.2d at 1179).*

Since dominant portions of the defendant's mark consist of the same two letters as the dominant portion of the plaintiff's mark, and the letters are similarly located and written with similar type faces, the Court concluded that confusion is likely. The defendant has advanced no reasonable argument contrary to this conclusion.

Trade Secret

The Court enjoined former employees of the plaintiff corporation, now employed by the defendant corporation, from disclosing confidential, proprietary business information that they possess regarding Merchant & Evans, including

vendor lists, written specifications or component parts, and methods of roofing assembly and application. Apparently on appeal the plaintiff has abandoned this theory. The Court therefore shall stay pending appeal the portion of the injunction based upon the trade secret claim.

Balancing of Hardships

Defendant argues that it will be irreparably harmed by the continued operation of the injunction. The order prohibiting the defendant from manufacturing and installing its infringing product will cause it to breach its contracts and eventually lead to the failure of the business. The defendant cites *Contractors Association of Eastern Pennsylvania v. Philadelphia, 739 F.Supp. 227 (E.D. Pa. 1990),* for the principal that requiring a party to breach its contractual obligations warrants staying injunctive relief. In that case, the court found that although the defendants had established "that the court's ruling will effect approximately 2,027 bids in both services, supplies and equipment and public work categories, valued at a total of approximately $73,533,000. . . . the court believes that more is needed to meet the irreparable injury requirement of Fed.R.Civ.P. 62(c)." *Id. at 229.* Thus, defendant's contention is unsupported by this case.

The Third Circuit has applied the standard articulated in Morton to the context of commercial contracts. In *Frank's GMC Truck Center, Inc. v. General Motors Corporation, 847 F.2d 100 (3d Cir. 1988),* the Third Circuit reviewed the standard to be applied in the context of commercial contracts. In that case, a district court enjoined a truck manufacturer from failing to supply a retailer with parts for heavy duty trucks and failing to honor warranty claims. The plaintiff asserted that its overall business would suffer from the loss of its heavy-duty truck business. The Third Circuit reviewed the averments of the plaintiff and concluded, "The availability of adequate monetary damages belies a claim of irreparable injury. . . . 'Although we are not insensitive to the financial distress suffered by [the plaintiff], we do not believe that loss

of income alone constitutes irreparable harm.'" *Id. at 102* (quoting *Morton v. Beyer, 822 F.2d 364, 372 (3d Cir. 1987)).* See also *Instant Air Freight Co. v. C.F. Air Freight, Inc., 882 F.2d 797 (3d Cir. 1989),* (holding that an air freight handler did not show irreparable harm as a result of the termination of its contract with an air freight company even when that termination resulted in the loss of eighty percent of its business).

By contrast, the damage to the plaintiff if the injunction were to be lifted, would be substantial. In Opticians Association of America, the Third Circuit noted:

> A finding of irreparable injury can also be based on likely confusion. Although we have not expressly decided the issue, many courts have stated that where the plaintiff makes a strong showing of likely confusion, irreparable injury follows as a matter of course.

920 F.2d at 195. In this case, the defendant has appropriated the plaintiff's trade dress with the intention of trading on the plaintiff's good will and reputation. Such an appropriation clearly deprives the plaintiff of control over its reputation. Accordingly, the defendant fails to establish irreparable harm sufficient to warrant a stay of the injunction.

Public Interest

"Public interest can be defined in a number of ways, but in a trademark case, it is most often a synonym for the right of the public not to be deceived or confused." *Id.* (citing 2 McCarthy, § 30:21). Having established that there is a likelihood of consumer confusion, the public interests would best be served by maintaining the injunction granted with respect to the trade dress and trademark infringement.

An appropriate Order follows.

ORDER

AND NOW, this 19th day of December, 1991, upon consideration of Defendant's Motion for Stay of Injunction Pending Appeal and Plaintiff's response thereto, IT IS HEREBY ORDERED that the Defendant's Motion is GRANTED in part and DENIED in part.

IT IS FURTHER ORDERED:

(1) That the portion of this Court's Order dated August 16, 1991 which enjoins and restrains Kenneth Parish and any other former Merchant & Evans and/or Zip-Rib employee or agent employed by Roosevelt Building Products, Inc., and all persons in active concert or participation with them who receive actual notice of the injunction from disclosing confidential, proprietary business information that they possess regarding Merchant & Evans is hereby STAYED PENDING APPEAL; and

(2) In all other respects, Defendant's Motion for Stay of Injunction Pending Appeal is DENIED. The remainder of this Court's Order of August 19, 1991 shall remain in effect.

BY THE COURT:

HERBERT J. HUTTON, J.

TRADEMARK TRIAL AND APPEAL BOARD

National Football League

v.

Jasper Alliance Corporation

Opposition No. 77,966

August 13, 1990, Decided

Before Sams, Rooney and Hanak, Members.

OPINION BY: ROONEY

OPINION:

Opinion by Rooney, Member:

An application was filed by Jasper Alliance Corporation to register the mark SUPER BOWL for greeting cards. Use since June 12, 1987 was alleged. Registration has been opposed by the National Football League (NFL) on the grounds that, since long prior to the alleged date of first use of SUPER BOWL by applicant, opposer has continuously and extensively used the mark SUPER BOWL in connection with entertainment services in the form of the NFL's annual championship game; that, to promote and sustain interest in NFL football in general and the SUPER BOWL game in particular, opposer has, itself or through authorized entities acting on its behalf, engaged in a wide range of commercial activities that prominently feature the mark SUPER BOWL, such activities predating applicant's alleged date of first use; that the souvenir merchandise to which the mark is applied, with opposer's consent, includes caps, t-shirts, key chains,

mugs, pens, tote bags, lighters and banks, printed products, namely, postcards, posters, playing cards and bumper stickers; that opposer is the owner of an incontestable registration for the mark SUPER BOWL for entertainment services in the nature of professional football games; [1] and that, as used on its identified goods, applicant's mark so resembles opposer's mark, as applied to the goods of opposer, as to cause confusion, mistake or deception.

Applicant's answer,[2] in effect, denies the allegation of likelihood of confusion and affirmatively pleads that there are a number of third-party registrations and uses for the mark SUPER BOWL on other goods.

Applicant's answer is more in the nature of argument than an answer. However, inasmuch as the proceeding has advanced through the discovery period and we now have before us a motion for summary judgment, we will accept the answer as filed.

This case now comes up on opposer's motion for summary judgment asserting that there are no genuine issues of material fact to be resolved and that opposer is entitled to judgment as a matter of law. Applicant has filed a brief in opposition to the motion.

In support of its motion, opposer has filed the affidavits of Jay Moyer, Executive Vice President and League Counsel of Opposer, John H. Flood III, Executive Vice President and General Counsel of National Football League Properties, Inc., the exclusive licensing company of opposer and of Gary M. Gertzog, associated with the law firm representing opposer.

---

[1] Regn. No. 882,283 issued December 9, 1969, Section 8 affidavit accepted, Section 15 affidavit filed.

[2] Pursuant to Rule 8(b) of the Federal Rules of Practice,

> A party shall state in short and plain terms his defenses to each claim asserted and shall admit or deny the averments upon which the adverse party relies. If he is without knowledge or information sufficient to form a belief as to the truth of an averment, he shall so state and this has the effect of a denial.

Mr. Moyer's and Mr. Flood's affidavits are each accompanied by a number of exhibits, which include status and title copies of opposer's registration. Mr. Gertzog's affidavit is accompanied by copies of portions of the discovery depositions of Mr. Steven Patrick Jasper and Mr. Gregory Alan Jasper, applicant's officers.

The facts, which are supported by the foregoing evidence, are as follows. The NFL is an unincorporated association of 28 member clubs. Each of the clubs operates a professional football team which plays in preseason, regular season, and postseason games, all of which culminate in the final game of the season, the championship game called the SUPER BOWL. Millions of fans attend the games and there is extensive nationwide coverage via print and electronic media. NFL games are extremely popular. Televised NFL games are watched by 75 million people in 30 million households across the country. More than 120 million people watch the Super Bowl game each year.

Member clubs have each adopted and use certain distinctive marks, names, nicknames, symbols, emblems, uniform designs, team colors and other identifications. The NFL itself has adopted and used various marks. The term, SUPER BOWL, was first used as a mark in 1967 and was registered in 1969.

The NFL marks have been exclusively licensed by the NFL and the member clubs to National Football League Properties, Inc. (NFLP) which is responsible for licensing the marks to third parties for commercial use, for protecting the NFL marks from infringement and for promoting the interests of the NFL and member clubs by engaging in publishing, promotional and marketing activities. NFLP has established an extensive licensing program in which over 200 selected companies are licensed to use the NFL marks on a wide variety of merchandise. Each year a number of national and local licenses are issued for use of the NFL marks on t-shirts, sweatshirts, wearing apparel, novelty items, greeting cards, postcards, coasters, trading cards and bumper stickers.

Since 1978, NFLP has licensed the production and sale of a wide array of souvenir merchandise bearing the SUPER BOWL mark including printed products. Postcards bearing the SUPER BOWL mark, have been sold since 1984. For the past year's game, over 75 companies received licenses from NFLP to use SUPER BOWL on a wide variety of merchandise. The SUPER BOWL marked products are featured in television and radio commercials and in major magazines and newspapers. Total retail sales of such merchandise for the past four years have exceeded 65 million dollars.

NFLP has an active trademark enforcement program to protect the SUPER BOWL mark and has on several occasions obtained judicial seizure orders to confiscate and restrain the sale of unlicensed merchandise bearing the SUPER BOWL mark. It is opposer's position that issuance of a registration to applicant will cause the public to believe that applicant's greeting cards are sponsored, authorized or licensed by the NFL.

Applicant filed a brief in which it concedes that the SUPER BOWL game is a very popular event, agrees that the NFL owns a registration for the mark SUPER BOWL, as alleged, and has, through the NFLP, licensed the NFL trademarks to third parties for commercial use. Applicant argues, however, that, until the commencement of this proceeding, the scope of paper products involved in the licensing program has been limited to postcards, posters, trading cards and books and that it is significant that opposer has now decided to include greeting cards as a part of the SUPER BOWL product line. Also argued to be significant is the fact that the relied on registration for SUPER BOWL is in Class 107 and no other class, while applicant's application was filed in Class 16. Moreover, applicant notes, while the NFLP has licensed the production and sale of souvenir merchandise related to a specific game primarily in classes 24, 25, and 28, they have not registered in these classes. In addition, applicant argues, the term used by opposer consists

of the words SUPER BOWL and a numerical designation indicating a specific sporting event while its own mark SUPER BOWL does not indicate a specific event. Applicant's final argument is that there are third-party registrations and uses of the mark SUPER BOWL for a variety of goods, i.e., toilet bowl cleaner, vegetable shortening, dog food, men's hosiery, a football board game, etc. All of these products, argues applicant, "are registered and for sale in the marketplace" and opposer has allowed these uses while objecting to applicant's use. Applicant's brief was accompanied by a number of exhibits, but no affidavits to support either the arguments in the brief or the exhibits were filed.

Summary judgment is an appropriate method of disposing of cases in which there are no genuine issues of fact in dispute and the matter can be resolved as a matter of law. *See Buffett v. Chi-Chi's, Inc.*, 226 USPQ 428 (TTAB 1985). Its intended purpose is to avoid an unnecessary trial where more evidence than is already available could not reasonably be expected to change the result. *See Pure Gold, Inc. v. Syntex (U.S.A.) Inc.*, 739 F.2d 624, 222 USPQ 741 (Fed. Cir. 1984).

While the initial burden on a motion for summary judgment is on the movant, if the movant's position is supported by affidavits and/or other evidence, the respondent must come forward with specific materials of its own to show that there are triable issues of fact or must demonstrate why it cannot do so. *See Pure Gold, supra Levi Strauss & Co. v. Genesco, Inc.* 222 USPQ 939, 941 (Fed. Cir. 1984); *Keebler Co. v. Murray Bakery Products*, 9 USPQ2d 1737 (Fed. Cir. 1989).

It is clear that applicant's response to the motion raises no genuine issue of material fact for resolution. Applicant's conclusion that "there is a genuine issue of material fact for trial" and that "(A)pplicant will supply specific facts, supplied by evidence, that will support its claim" does not raise any

issues. [3] One cannot avoid summary judgment simply by the unsupported speculation that it may find some evidence in support of its case. *See Pure Gold, supra.* In the absence of any issues, it appears to this Board that this

We therefore turn to a consideration of the merits of the opposition. Because opposer owns a valid and subsisting registration of its mark, it is not necessary that we review the question of priority. *See Borg Warner Corporation v. Pneumatic Hydraulic Development Co., Inc.*, 185 USPQ 181 (TTAB 1975). Even if that were not so, the evidence clearly shows that opposer was the prior user of its mark. [4]

As to the goods, it is noted that goods do not have to be identical or even competitive in order to find that there is a likelihood of confusion. It is necessary only that they be related in some manner such that their sale under the same or a similar mark would be likely to lead to the conclusion that they originate at the same source or that there is some association between the sources of each. See In re Precise Imports Corporation, 193 USPQ 794 (TTAB 1976) and cases cited therein.

The question of likelihood of confusion, insofar as goods and services are concerned, must be determined on the basis of the goods and services described in the application at issue vis-a-vis the goods or services recited in opposer's registrations. In addition, an opposer may rely upon any of its activities, outside the scope of its registrations, in which it has made prior use of its mark and/or that it has demonstrated to

---

[3] Applicant's argument relative to third-party uses and registrations has no support in the record. Although applicant submitted a search report, it is well settled that a search report does not constitute evidence of the existence of a registration or use of a mark. *See In re Hub Distributing, Inc.*, 218 USPQ 284 (TTAB 1983). Apart therefrom applicant has conceded in its brief that "(O)pposer is famous for the SUPER BOWL game". Thus, third-party evidence would be unlikely to have the desired effect of casting doubt on the strength of opposer's mark.

[4] Applicant's discovery depositions establish the first use of its mark on the claimed date of June 12, 1987.

be within the natural expansion of its business under the mark. *See Envirotech Corporation v. Solaron Corporation*, 211 USPQ 724 (TTAB 1981).

Here it has been shown that opposer licenses numerous companies and/or individuals each year to market products bearing the SUPER BOWL mark. Seventy-five licensees were chosen in 1989. Included among the licensed uses of the mark are paper products which include posters, postcards, napkins, paper plates, paper party goods and streamers.

Applicant mentioned several times in its brief that, despite its (licensed) use on numerous products, opposer has not used SUPER BOWL on greeting cards. Applicant appears to be under the mistaken impression that the goods must be identical in order to cause confusion among the public.[5] As we have already stated, that is not so. So long as there is a significant enough relationship between the goods that potential purchasers would be likely to make a connection between them because of the marks thereon, that is all that is required. The paper goods for which the opposer licenses its mark are clearly related to greeting cards. All of these goods are sold in supermarkets, five and ten-cent stores, stationery, grocery, drug, variety and department stores. Many of them are manufactured by the same companies. In addition, the fact that opposer currently uses its other NFL marks on greeting cards is yet another applicant's use of the SUPER BOWL mark.

It is our view in this case, that the sale of greeting cards would naturally flow from previous sales of paper goods such as posters, post cards, wrapping and paper party goods and that potential purchasers would be quite likely to believe that

---

[5] Applicant is also mistaken in its belief that the classification system within the Patent and Trademark Office has some bearing on the question of likelihood of confusion. This is simply not so. The classification system was established for the convenience of the Office rather than to indicate that goods in the same class are necessarily related or that classification in different classes indicates that they are not related. *See In re Leon Shaffer Golnick Advertising, Inc.*, 185 USPQ 242 (TTAB 1974).

greeting cards and paper goods such as those marketed by opposer's licensees would emanate from the same source. We therefore conclude that the sale of these goods under the same or a similar mark would be likely to lead to confusion, mistake or deception.

With regard to the marks, it seems abundantly clear that they are identical.Opposer owns a registration of the mark SUPER BOWL, per se. Applicant's argument to the effect that opposer uses the term SUPER BOWL in conjunction with a numerical designation is to no avail. The fact that the numeral is different each year is a clear indication that the numeral does not perform a trademark or service mark function because, in order for a designation to perform as a trademark, it must be a constant part of the mark as a whole. In this case, the numbers change each year indicating only the number of SUPER BOWL games that have been played and providing an easy and quick reference to a particular game.

Applicant's argument that its mark is used on the greeting cards along with its trade name is equally immaterial. Applicant is not seeking to register the mark in conjunction with the trade name. The Section 7(b) presumptions of validity, ownership, and excusive right to use would attach to the mark as shown in the application for registration, which mark does not include the trade name.

From the discovery deposition taken of applicant's officers, it is apparent that applicant was aware of opposer's use of the mark SUPER BOWL at the time it adopted the mark. Moreover, the cards themselves clearly illustrate a football theme. Opposer has indicated its belief that applicant deliberately adopted the mark with the intention of trading on its famous mark. While it appears clear that there was an intent to call to mind the yearly championship game produced by opposer, it also appears that applicant, appearing pro se in this matter, is unsophisticated in trademark matters and sincerely believed that greeting cards, not being among the products sponsored by opposer, were sufficiently unrelated to opposer's activities to avoid any confusion as to source.

Finally, applicant has called attention to a number of advertising uses of the term SUPER BOWL which it believes to be the same as its use and notes that these uses are permitted by opposer. Since there is no evidence showing whether these advertisements ever actually appeared or, if they did, where or when they did so, or who placed them, the copies attached to applicant's brief are not probative evidence. Apart therefrom, in the illustrations provided, the uses appear not to be trademark or service mark use but only references to the Super Bowl game itself. For instance, the advertisement for a "Superbowl cruise" indicates that one of the highlights of the cruise would be widescreen televisions to "bring Superbowl action to life" as well as NFL highlights from past Superbowl games. Others refer to savings to be had during Super Bowl '88 or suggest food to be served at a Super Bowl party. Reference in these noted cases is clearly to the NFL Super Bowl game but in a manner fully recognizing the NFL source of the game. These are not proprietary uses as applicant's use clearly is. Apart from the foregoing, there is no evidence from which we can conclude that opposer has not, in fact, objected to some or all of the advertising cited by applicant.

Inasmuch as opposer has sustained its burden of proof and applicant has not succeeded in rebutting the evidence, the motion for summary judgment isgranted and the opposition is sustained.

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF CONNECTICUT

Haydon Switch And Instrument, Inc., Intercontinental General Corp., Tri-Tech, Inc. and Tritex Holdings, Inc.,

Plaintiffs

v.

Rexnord, Inc.,

Defendant

Civil No. N 86-190(JAC)

June 3, 1987, Decided; June 4, 1987, Filed

COUNSEL: Lee C. Robinson, Matthew K. Ryan, (Curtis, Morris & Safford, P.C.,), Counsel for Plaintiffs.

Robert S. Swecker, Janis M. Manning, (Burns, Doane, Swecker & Mathis), Eugene N . Axelrod, (Evans and Baldwin), Counsel for Defendant.

OPINION BY: CABRANES

OPINION: MEMORANDUM OF DECISION

JOSE A. CABRANES, District Judge:

Introduction

This action for trademark infringement and unfair competition arises under the trademark laws of the United States, particularly *15 U.S.C. §§ 1114*(1), 1121, and 1125(a), and under Connecticut law, Conn. Gen. Stat. §§ 42-110(b), 35-lli.

The action was commenced by plaintiffs Haydon Switch and Instrument, Inc., ("HSI"), Intercontinental Geneal Corporation ("ITC"), Tri-Tech, Inc. ("Tri-Tech, Inc. ("Tri-Tech") and Tritex Holdings, Inc. ("Tritex") against the defendant Rexnord, Inc. ("Rexnord") on May 31, 1986.

The Restated Amended Bill of Complaint (filed Oct. 8, 1986) (the "Complaint") seeks injunctive and other relief with respect to the defendant's sales of a speed reducing mechanism under the mark PLANETGEAR[1], allegedly in violation of HSI's trademark PLANETGEAR, registered on the Principal Register of the United States Patent and Trademark Office as Registration Number 694,223, granted May 8, 1960. In addition, the Complaint seeks injunctive and other relief for defendant's alleged unfair competition with plaintiffs. Defendant has counterclaimed for, inter alia, a declaration that it does not infringe HSI's federally registered trademark or that it has not competed unfairly with plaintiffs; a declaration that defendant has not violated Connecticut law, Conn. Gen. Stat. §§ 42-110(b) and 35-lli; a determination that HSI's mark is the common descriptive name for its products; a determination that HSI's registration Was obtained fraudulently; and a determination that HSI has abandoned its mark.

A four day trial to the court was concluded with final arguments of counsel on April 13, 1987. By agreement of all counsel, the motion for a preliminary injunction and trial on the merits were consolidated pursuant to Rule 65(a)(2), Fed. R. Civ.P.

For the reasons stated below, plaintiffs are not entitled to any relief under federal or state law, and it is neither

---

[1] In accordance with the stipulation of the parties at trial, the court will use all upper case lettering when referring to the term or mark PLANETGEAR. When referring to how a party actually sues the mark, the court will place the term or mark within quotation marks. The use of the term or mark PLANETGEAR in upper case lettering is not intended to suggest any legal conclusion as to the status or significance of the term.

necessary nor appropriate to grant defendant any relief on their counterclaim.

I.

FINDINGS OF FACT

A. The Parties:

1. Plaintiff Tritex is a Delaware Corporation having its principal place of business at 540 Madison Avenue, New York, New York 10022.

2. Plaintiff Tri-Tech is a wholly owned subsidiary of Tritex and is a Delaware corporation having its principal place of business at 1500 Meriden Road, Waterbury, Connecticut, 06705.

3. Plaintiff HSI is a wholly owned subsidiary of Tri-Tech and is a Delaware Corporation having its principal place of business at 1500 Meriden Road, Waterbury, Connecticut 06705.

4. Plaintiff Intercontinental General Corporation is a wholly owned subsidiary of Tri-Tech and is a Delaware Corporation having its principal place of business at 1261 Meriden Road, Waterbury, Connecticut 06705.

It does business under the name Industrial Timer Company, which explains why the corporation's name is generally abbreviated as ITC.

5. Defendant Rexnord is a Wisconsin corporation registered to do business and doing business in Connecticut.

B. Jurisdiction:

6. Jurisdiction rests on *28 U.S.C. § 1338*(a), (b). Venue in this district rests on *28 U.S.C. § 1391*(b)(c).

C. The PLANETGEAR Mark and the Parties' Dispute:

7. HSI is a manufacturer and seller of electric motors, switches and other electro-mechanical equipment, including but not limited to, mechanical counters, pulse counters, and elapsed time indicators. Speed reducing mechanisms using planetary gear systems are components of HSI's counters (products which count units of time or units of production).

8. HSI and its predecessors have used the trademark PLANETGEAR for their counters continuously from 1959 to the present time.

9. HSI's PLANETGEAR trademark has been registered since May 8, 1960 on the Principal Register of the United States Patent and Trademark Office as Trademark Registration Number 694,223.

10. HSI filed a timely Declaration with the Patent & Trademark Office as provided in *15 U.S.C. § 1065* to render its mark PLANETGEAR "incontestable".

11. HSI has marked its products with the trademark PLANETGEAR and the trademark symbol continuously from 1960 to the present, in accordance with *15 U.S.C. § 1111*. The registration for HSI's PLANETGEAR mark is in full force and effect.

12. On or about January 2, 1984, HSI granted its sister-subsidiary ITC a non-exclusive license to use HSI's PLANETGEAR trademark for mechanical counters and elapsed time indicators.

13. Although through trial testimony plaintiffs were only able to offer reconstructed estimated records of advertising expenditures, the evidence presented indicated that plaintiffs HSI and ITC have expended, at most, approximately $220,000 over a period of 27 years for advertising and promoting their PLANETGEAR products. The plaintiffs' PLANETGEAR products are alleged to be of high quality and there is no evidence to suggest otherwise.

14. Rexnord markets and sells in the United States, including Connecticut, speed reducing mechanisms under the

name PLANETGEAR. It identitifies its PLANETGEAR products in advertisements and publications as "Rex Planetgear Speed Reducers". Rexnord uses the name PLANETGEAR (along with Rex or Rexnord) in its publications and advertisements as the name for its speed reducing mechanisms.

15. HSI, its predecessors and its sister-subsidiary ITC have duly complied with the statute regarding marking continuously from 1960 to the present.

16. Pursuant to *15 U.S.C. § 1072*, Rexnord has had constructive notice of the PLANETGEAR trademark registration.

17. On November 19, 1985, HSI notified Rexnord in writing of plaintiff HSI's PLANETGEAR trademark registration and defendant's use of the name PLANETGEAR without authorization from HSI, thus providing defendant with actual notice of plaintiff. HSI's asserted rights. Rexnord has continued to sue the Planetgear name for its speed reducers.

18. The November 19, 1985 letter to Rexnord was sent soon after plaintiffs became aware of Rexnord's use of the term PLANETGEAR. Plaintiffs first became aware of Rexnord's use of the term or name in connection with Rexnord's planetary gear speed reducers in October 1985 when Paul Rivers, Jr., General Manager of ITC, saw an advertisement of defendant's "Rex Planetgear Speed Reducer" in the October 1985 issue of Plant Engineering. Rivers brought the advertisement to the attention of John F. Moriarity, General Manager of HSI, and told him that in his (Rivers') opinion plaintiffs' PLANETGEAR trademark was being infringed by that Rexnord advertisement.

19. Thereafter, plaintiffs' counsel, Lee C. Robinson, wrote to and spoke with representatives of Rexnord about the use of the PLANETGEAR mark. Plaintiffs and Rexnord were unable amicably to resolve their differences.

D. The Products of the Parties:

20. Although plaintiffs and defendant both sell products using the name or mark PLANETGEAR, their products are dissimilar in function. The products are also marketed in a dissimilar manner.

21. The digital clocks, timers and counters of HSI or ITC are of the type having drum wheels on which the numbers 0 to 9 are printed. Several of these wheels are mounted for rotation on a common axis behind a window, sot hat only one number on each drum wheel is visible. Each wheel is driven by a gear and cam arrangement so that each successive drum wheel in the mechanism rotates once for ten revolutions of the preceding drum. These electric clocks, counters and elapsed time indicators are designed to be mounted on a panel and are sold to fabricators of electronic equipment that is installed inside a cabinet, such as telephone switchboard consoles, aircraft control tower instruments and other similar applications.

22. The name PLANETGEAR is stamped on the outside of the case of the HSI or ITC clocks, counters or elapsed time indicators. In larger letters above the PLANETGEAR mark is the company name of HAYDON SWITCH AND INSTRUMENT CO. Once the product is installed in the panel of a cabinet, the term PLANETGEAR and the company name are no longer visible.

23. ITC's current catalog of clocks, counters and timers has been in use for just under two years. This catalog was first used shortly after Rivers started to work for ITC. Few of the 2500 catalogs originally printed now remain. The ITC brochure describes all of the HSI products and these products are on the ITC price list.

24. ITC sells its products to electronic and hardware distributors. ITC employs sales representatives for its products and in addition to sales to distributors sells directly to a numerous entities, including federal government agencies, AT&T Technologies, Bell System operating companies, Engineering.

25. Rexnord is a worldwide organization founded in 1892 and headquartered in the Milwaukee area. It is a diversified manufacturer of a wide variety of industrial goods, including mechanical and power transmission components, some of which are speed reducers. It employs more than 13,000 people who serve customers through plants and offices in the United States, Canada, and overseas facilities.

26. Among Rexnord's products are planetary gear speed reducers. This product is used in a variety of applications between a motor and a driven shaft so that the driven shaft rotates at a substantially slower speed and larger torque than the speed of the motor. These planetary gear speed reducers were first announced, promoted and tested in late 1979 and introduced at a design engineering show in 1981.

27. Speed reducers are typically used in a wide variety of industrial applications, including conveyor drive systems and rotary drives. Rexnord's speed reducers are utilized in the wood, paper, iron, steel, construction equipment, food, cement, and coal mining industries.

28. Rexnord's speed reducers are manufactured and purchased on the basis of individual customer specifications. Testimony indicated that in a typical sale a customer informs Rexnord of the use requirements for the speed reducer, such as the ratio between the input shaft speed and the output shaft speed, the torque that is to be transmitted and the dimensions in which the reducer must fit. Rexnord then assembles the speed reducer with the appropriate size gears and components to meet the requirements of the customer.

29. Rexnord offers six series of planetary gear speed reducers under the planet names of Mercury, Mars, Venus, Earth, Neptune and Saturn. Within each series, there are variables which determine the exact specification of the speed reducer being purchased, as shown in the Rexnord brochures.

30. ITC has not participated in any trade shows during the time that Rivers has been employed by ITC. ITC's customers know ITC is in the business of selling clocks,

counters and timers either because they are familiar with ITC, which is an old company, or through the small amount of advertising published in the Thomas Register, The Gold Book, and in a few other publications, the names and dates of which were not specified at trial. Plaintiffs' PLANETGEAR products are listed in the Thomas Register under the product heading of "Counters."

31. ITC initiated the practice of selling to distributors shortly after the products were transferred from HSI to ITC, approximately in the late winter or early spring of 1985.

32. Plaintiffs' invoices for its PLANETGEAR products do not contain the word PLANETGEAR. Plaintiffs have not advertised the term PLANETGEAR except in three advertisements in publications offered in court as exhibits. See Defendant's Exhibit 53 at 000098, 000102, 000106.

33. HSI is the record owner of United States Trademark Registration Number 694,223, granted May 8, 1960 for the mark PLANETGEAR for "mechanical counters and, in particular, digital read-out counters" in Class 26.

34. Rexnord uses the term PLANETGEAR in a variety of ways on the products themselves and in Rexnord's advertising and promotional literature and advertisements. The words "Rex Planetgear Speed Reducer" appear on the nameplate which is affixed to Rexnord's product.

35. Rexnord uses the trademark REX to identify and distinguish its speed reducers from those of its competitors' and the term PLANETGEAR because the product contains planet or planetary gears. A current Rexnord marketing brochure states on page 2 that the brand names in boldface and italics throughout this brochure are the trademarks of Rexnord Inc. or its subsidiaries. The word "REX" appears on page 10 of the brochure in boldface as an indication that the trademark used by Rexnord to identify its planetary gear speed reducers is REX.

36. Rexnord's marketing efforts regarding its speed reducers have been substantial, sustained and widespread, and

they have included promotion catalogs and brochures, newsletters to prospective customers, advertising and participation in trade shows. Rexnord also publishes a newsletter which describes actual installations of planetary gear speed reducers by Rexnord customers.

37. Evidence presented showed that Rexnord started using the term PLANETGEAR without knowledge of plaintiff's registered mark and without any predatory intent. Rexnord's continued use of the term PLANETGEAR after plaintiffs notified Rexnord of the registered PLANETGEAR mark was based upon its good faith belief that the dissimilar products and marketing techniques of plaintiff and Rexnord made Rexnord's use of the PLANETGEAR term a violation of neither federal nor state law. No malfeasance of Rexnord of any sort was shown at trial. Plaintiffs produced no evidence of efforts by Rexnord falsely to represent the origin or its goods as those of plaintiffs.

E. The Absence of Actual Confusion:

38. Plaintiffs brought to the attention of the court no instances of actual confusion of a purchaser where the potential customer of plaintiffs believed that he was buying plaintiffs' products where he was actually buying defendant's product, and where the mistake was caused by defendant's use of the term PLANETGEAR.

39. No witness testified regarding knowledge of any instances of actual confusion between Rexnord's speed reducers, sold under the name of "Rex Planetgear Speed Reducer" and plaintiffs' counters, sold under the company name of "Haydon Switch & Instrument" with the name PLANETGEAR accompanied by the trademark symbol.

40. Only the testimony of George Otte, a distributor of plaintiffs' products, showed any awareness by a non-party of the use of the term PLANETGEAR by both plaintiffs and defendant. However, even Otte understood that the goods were produced by different companies. Taken as a whole, his testimony indicated

only that he thought some confusion might be possible, and the court does not credit his opinion regarding possible confusion.

41. Although plaintiffs have been aware of numerous companies that were customers or potential customers of both plaintiffs and defendant, Otte was the only non-party who expressed any belief that confusion was likely or possible. As trial counsel for plaintiffs stated in closing argument, plaintiffs "searched and searched" among the known common purchasers of plaintiffs and defendant's products, but were only able to find this one witness who could testify that he noticed that two companies were using the PLANETGEAR term. The evidence of a possibility or likelihood of confusion was singularly unpersuasive.

42. Based upon the lack of any evidence presented at trial indicating that plaintiffs are considering or likely to expand or change the market for their PLANETGEAR products, the court finds any such expansion improbable. The court also finds improbable any substantial change in Rexnord's marketing of its PLANETGEAR products.

43. Although textbooks, dictionaries and court testimony indicated that planetary gears are sometimes referred to as "planet gears," Rexnord did not show that any person or any publication had ever used the single word "planetgear" to describe planetary gears. In addition, testimony showed only that a few of the witnesses had heard engineers refer to planetary gears as "planet gears." Other witnesses testified they more frequently heard the full term of "planetary gears."

44. In sum the court was presented with no evidence that plaintiffs and defendant sell in the same stores or channels of distribution, through the same marketing channels, or advertise in the same publications. Despite knowledge of overlapping customers, plaintiffs were unable to suggest, much less show, any actual or potential confusion among employees or agents of these common customers. Only the unpersuasive testimony of one distributor indicated any possibility of confusion.

II.

CONCLUSIONS OF LAW

A. Federal Claims:

It is now established that "a cause of action for trademark infringement exists . . . where an individual uses a trademark registered to another (1) without consent, (2) in connection with the sale of goods, (3) where such use is likely to cause confusion or to deceive purchasers as to the source or origin of the goods." *Franchised Stores of New York, Inc. v. Winter. 394 F.2d 664, 668 (2d Cir. 1968),* quoted in *Sasson Jeans, Inc. v. Sasson Jeans, L.A., Inc., 632 F. Supp. 1525 (S.D.N.Y. 1986).* The principal question presented is whether plaintiffs have established that "there is any likelihood that an appreciable number of ordinarily prudent purchasers are likely to be misled, or indeed confused, as to the source of the goods in question." *McGregor-Doniger Inc. v. Drizzle Inc., 599 F.2d 1126, 1130 (2d Cir. 1979)* ("McGregor-Doniger.") (citations omitted).

In the case before this Court, the products of the parties are different; plaintiffs have a registered mark for mechanical counters, and, in particular, direct read-out digital counters. Defendant's product is a speed reducing mechanism used for mechanical power transmissions where increased torque is required at a reduced speed. In a suit for trademark infringement involving different products with similar names, the prior owner of the mark will succeed or fail in its suit depending on its ability to show the necessary likelihood of confusion of the products and their origins. As our Court of Appeals observed in a landmark decision,

> Where the products are different, the prior owner's chance of success is a function of many variables: [1] the strength of his mark, [2] the degree of similarity between the two marks, [3] the proximity of the products, [4] the likelihood that the prior owner will bridge the gap, [5] actual confusion, [6] .

> . . the reciprocal of defendant's good faith in adopting its own mark, [7] the quality of defendant's [8] and the sophistication of the buyers. Even this extensive catalogue does not exhaust the possibilities -- the court may have to take still other variables into account.

Polaroid Corp. v. Polarad Electronics Corp., 287 F.2d 492, 495 (2d Cir.) (Friendly, J.) (citations omitted), *cert. denied*, 368 U.S. 820 (1961) ("Polaroid").

1. *The Strength of the Mark.*

Gauging the strength of a mark is a difficult and uncertain task. See McGregor-Doniger, supra, 599 F.2d at 1131. Marks are usually classified into four categories of marks, which in ascending order of strength are (1) generic, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful. Id. Although marks are usually placed into one of these four categories, these classifications are used merely as an effort "to liberate this aspect of trademark law from the 'welter of adjectives' which had tended to obscure its contours . . . ." *Id.* at 1131 (citation omitted). In the case before the court, however, plaintiff's registered mark has become "incontestable" under *15 U.S.C. § 1065*, rendering the mark presumptively distinctive and therefore a strong mark. As the Supreme Court stated in *Park 'N Fly, Inc. v. Dollar Park and Fly, Inc., 105 S. Ct. 658 (1985)*, "the holder of a registered mark may rely on incontestability to enjoin infringement and . . . such an action may not be defended on the grounds that the mark is merely descriptive." *Id. at 667.* The Court specifically declined to consider whether the mark was "improperly issued," stating that "[o]ur holding is not affected by the possibility that the mark was or has become merely descriptive." *Id. at 664 n. 5.* Rexnord therefore cannot defend this federal trademark infringement action by asserting, as it does, that plaintiff's mark is "merely descriptive" and therefore not entitled to protection. The Supreme Court has decisively resolved this issue; once a mark has become incontestable, an attack on the strength or validity of the mark

based upon allegations that the mark is "merely descriptive" will not be considered. *Id. at 665* ("Congress expressly provided in §§ 33(b) and 15 that an incontestable. mark could be challenged on specified grounds, and the grounds identified by Congress do not include mere descriptiveness.").

An incontestable mark can, however, be challenged as not distinctive and therefore not entitled to protection if the mark is or has become the generic (or "common descriptive") name for a product, was procured by fraud or is otherwise invalid for any of several reasons enumerated in *15 U.S.C. § 1064* (grounds for cancellation of registered marks) and § 1965 (requisites for gaining or maintaining incontestability status). See *id.*

A mark is a generic or "common descriptive" name if it is "one that refers to the genus of which the particular product is a species." *Id. at 661-662* (citation omitted). Plaintiff's mark is the chosen name for its counter; the name PLANETGEAR for plaintiff's counters does not identify a product that is solely a set of planetary gears. Because the planetary gears in plaintiff's counters are a component or ingredient of the product, not the product itself, the PLANETGEAR mark is in no sense generic. The mark is more appropriately regarded as in part descriptive (because of its planetary gear component), and in part suggestive (because of plaintiff's creation of the new single word PLANETGEAR). See *20th Century Wear, Inc. v. Sunmark-Stardust Inc., 747 F.2d 81, 87 (2d Cir. 1984)* ("A term is suggestive if it requires imagination, thought and perception to reach a conclusion as to the nature of goods. A term is descriptive if it forthwith conveys an immediate idea of the ingredients, qualities or characteristics of the goods.") (citation omitted), *cert. denied, 470 U.S. 1052 (1985).*

Rexnord offered no persuasive evidence that plaintiff's mark, or the mark's status, was obtained by fraud, and offered no grounds to doubt the validity of plaintiff's mark and its incontestability. The court concludes that there is no factual basis to doubt the validity or incontestability of plaintiff's

mark. Because the mark is incontestable, the court need not belabor the question of the mark's strength based upon its categorization as descriptive or suggestive. In accordance with the Supreme Court's Park 'N Fly ruling, the mark must be held to have strength.[2]

The incontestability and concomitant strength of the mark do not, however, automatically entitle plaintiffs to relief for trademark infringement. Plaintiffs still must establish a likelihood of confusion. See Park 'N Fly, supra, 105 S. Ct. at 667 (ruling mark incontestable and remanding for consideration of whether there was a likelihood of confusion).

2. *The Similarity of the Marks.*

The court turns now to the second factor in determining the likelihood of confusion, the similarity of the marks. This factor also weighs in favor of plaintiffs, but only slightly so. Each party spells the word PLANETGEAR in exactly the same way. However, each uses the word PLANETGEAR with different designations of company origin. Defendant uses the word PLANETGEAR term along with its company name of Rexnord or Rex, thus reducing the likelihood that the similar marks will cause confusion. At trial, plaintiffs placed emphasis on the likelihood that someone repairing a machine with one of plaintiffs' counters might be confused about whom to call with repair question because of defendant's use of the term PLANETGEAR. However, plaintiffs' counters,

---

[2] This court notes, however, that without the benefit of the mark's incontestability, the mark might otherwise be considered weak because of its principally descriptive character, its limited use by plaintiffs in advertising and marketing, and the absence of any showing at trial of secondary meaning. See *20th Century Wear, Inc. v. Sanmark Stardust Inc., 815 F.2d 8, 10 (2d Cir. 1987)* ("to establish secondary meaning . . . it must be demonstrated that the purchasing public associates goods designated by the particular word or words in question with but a single, though anonymous, source." (citation omitted). See also *McGregor-Doniger, supra, 599 F.2d at 1132* (stating that although finding of a secondary meaning is unnecessary where mark is "more than merely descriptive," it is still appropriate "to consider all factors bearing on the likelihood of confusion").

offered as physical exhibits, show that the name "Haydon Switch and Instrument, Inc." is prominently displayed above the smaller PLANETGEAR mark on the counters. See Plaintiff's Exs. 7a, 7b, 7c. Thus, if the court assumes arguendo the possibility that the similarity in the term PLANETGEAR could in some circumstances cause confusion as to the origin of these non-competing products, that possibility is appreciably reduced by the accompanying company names. The presence or absence of "different labelling displays surrounding the mark" is relevant to a consideration of the similarity of the marks. See *E. Remy Martin & Co. v. Shaw-Ross International Imports, 756 F.2d 1525, 1531 (11th Cir. 1985).*

Because of the use of different surrounding displays, and because of the manner of the distribution and sale of these products and the sophistication of their purchasers, see discussion infra, the likelihood of confusion that arguably could be caused by the similar use of the same term is significantly reduced. In any case, as our Court of Appeals has stated, "[s]imilarity in and of itself is not the acid test. Whether the similarity is likely to provoke confusion is the crucial question.' . . . [I]t is the effect upon the prospective purchasers that is important." McGregor-Doniger, supra, 599 F.2d at 1133 (citations omitted).

3. *Proximity of the Products.*

A factor that weighs in favor of defendant is lack of proximity of the products, the third of the Polaroid factors. Although plaintiff insists on referring to its products as speed reducers in its memoranda, it uses its PLANETGEAR mark only for its counters, and its trademark was granted under the classification of "counters". A component of those counters, which measure time or units of production, is the planetary gear system with its speed reducing capabilities; however, the product is not a speed reducer in the sense understood by Rexnord and its customers. Rexnord uses its PLANETGEAR mark for speed reducing mechanisms principally used in power transmissions. The products of plaintiffs and those of Rexnord can only be considered proximate if the court were to apply to these products an extraordinarily broad descriptive classification of,

for example, components likely to be used by industrial producers. In view of the sophistication of the purchasers of these products, discussed infra, such a broad classification is not appropriate, much less necessary.

4. *The Quality of the Products.*

No testimony was presented indicating that Rexnord's products were in any sense of low quality. The court therefore concludes that the quality of defendant's product would not adversely affect plaintiffs in the unlikely event that a purchaser or potential purchaser were confused about the parties products.

5. *Bridging the Gap.*

One Polaroid factor is whether Plaintiff might "bridge the gap" and use its mark in selling a product directly competitive with that of Rexnord. Plaintiffs presented no evidence of any such intention on their part, and the court has found no likelihood of any such expansion. See Findings of Fact, § 42. At this time, based upon the evidence presented at trial, the court does not find any such expansion or accompanying "bridging of the gap" probable.

6. *Actual Confusion.*

Plaintiff presented no persuasive evidence of actual customer confusion. The only witness who indicated any confusion was Otte; however, Otte's testimony, taken as a whole, indicated only that he believed confusion as to the source of PLANETGEAR products was possible. Of course, actual confusion is not required for plaintiff to prevail. "The law is well settled . . . that evidence of actual confusion between trademarks is not necessary to a finding of likelihood of confusion, although it is the best such evidence." *E. Remy Martin & Co. v. Shaw-Ross International Imports, supra, 756 F.2d at 1529* (emphasis in original) (citation omitted).

7. Good Faith.

The court is persuaded that Rexnord did not act in bad faith when it declined to cease using the term PLANETGEAR after plaintiffs brought its registered mark to Rexnord's attention. *See* Findings of Fact, para. 37. Plaintiff presented

no evidence that Rexnord used the PLANETGEAR mark with any actual knowledge of plaintiffs' use and registration of the mark, much less that it acted with any predatory intent. id. The constructive notice of the a mark implied by its registration is not indicative of bad faith, especially where, as here, the two products are substantially different. Although a court must consider whether different goods or services might be considered related by the purchasing public, *see E. Remy Martin & Co. v. Shaw-Ross International Imports, supra, 756 F.2d at 1530,* the presumption of an exclusive right to use a registered mark extends only to the goods or services noted in the registration certificate. See *Mushroom Makers Inc. v. R.G. Barry Corp., 580 F.2d 44, 48 (2d Cir. 1978)* (per curiam), cert. denied, *439 U.S. 1116 (1979).* In the circumstances presented, there was no bad faith on the part of Rexnord.

8. *Sophistication of the Buyers.*

The sophistication of the purchasers of the products produced by plaintiffs and defendant greatly weights in favor of Rexnord, and, indeed, tips the weight of the evidence decisively in favor of Rexnord on the federal counts of plaintiffs' complaint. As previously noted, plaintiffs and defendant produce different products. Plaintiffs do very little advertising, *see* Findings of Fact, para. 13, 23, 30, 32, and what little advertising they do appears in publications different from those favored by Rexnord. *Id.* Plaintiffs and Rexnord sell to knowledgeable industrial a purchasers. See Findings of Fact, paras. 23, 24, 28, 29, 30, 32. Testimony of the current manager of ITC indicated that ITC distributes its advertising leaflets directly to purchasers and prospective purchasers. Testimony of Rexnord's witnesses indicates that purchasers of its products using the PLANETGEAR name have to custom-purchase the speed reducing system by specifying its intended use. See Findings of Fact, paras. 27, 28. It is thus evident that the sophisticated purchasers of the prosecutes of plaintiffs or Rexnord enter the marketplace in search of specific products for specific industrial purposes. The sophistication of these purchasers makes the likelihood of

confusion remote. Although the existence of some overlapping customers of plaintiffs and Rexnord might seem to weigh in favor of a conclusion that confusion is possible or likely, this factor does not weigh in plaintiffs' favor in the particular circumstances of this case. Even with knowledge of the names of overlapping purchasers and after an extensive search for purchasers or potential purchasers either confused or aware of possible confusion because of defendant's use of the term PLANETGEAR, plaintiffs were able to produce only one witness who even suggested the possibility of confusion; the inability to produce any other credible witnesses confirms that confusion is not likely.

In sum, despite the limited strength of plaintiffs' mark and the similarity of the two marks, there is not a likelihood of confusion; the he respective goods of plaintiffs and Rexnord are sold for unrelated purposes and in different channels of trade to sophisticated purchasers. Absent a likelihood of confusion of the marks in question, there can be no infringement under *15 U.S.C. § 1114.*

In addition, for the reasons stated above, the court also concludes that defendant has not violated Section 43(a) of the Trademark Act, *15 U.S.C. § 1125*(a), which makes unlawful false designation of origin or false description of products. The court finds no evidence of false representation as to the origin of defendant's products, see Findings of Fact, para, 37, and, again, no likelihood of confusion of the parties' products. See, e.g., *Apollo Distributing Co. v. Apollo Imports Inc., 341 F. Supp. 455, 458 (S.D.N.Y. 1972)* (Weinfeld, J.).

B. The Connecticut Unfair Trade Practices Count:

Principally for the reasons stated above, and because plaintiffs have shown no conduct of defendants that was deceptive, unfair or offended public policy, the court finds that plaintiffs have failed to show that defendant has violated the Connecticut Unfair Trade Practices Act ("CUTPA"), Conn. Gen. Stat. § 42-110(b). See *Sportsmen's Boating Corp.*

v. Hensley, 192 Conn. 747, 474 A.2d 780, 786 (violation of CUTPA where defendant's conduct offends public policy, the common law, or where the practice is immoral, unethical, oppressive or unscrupulous).

C. Claims Under The Connecticut Anti-Dilution Statute:

Plaintiffs' final claim is based on Connecticut's "anti-dilution" statute, Conn. Gen. Stat. § 35-11i(c). The statute provides:

> Likelihood of injury to business reputation or of dilution of the distinctiveness of a mark registered under this chapter, or a mark valid at common law, shall be ground for injunctive relief against unauthorized use of such mark or trade name, or of a colorable simulation thereof, notwithstanding the absence of competition between the parties or the absence of confusion as to the source of goods or services. (emphasis supplied).

In the absence of any controlling or persuasive Connecticut state court interpretations of the reach of this statute, plaintiffs and Rexnord have based their arguments on the limited legislative history of the statute in Connecticut, and on interpretations of the analogous New York statute, N.Y. Gen. Bus. Law § 368-d, by the United States Court of Appeals for the Second Circuit.

Rexnord argues that this statute should be construed only to protect marks that have achieved a high degree of celebrity or fame; plaintiffs, in turn, argue that the statute may protect marks such as plaintiffs' mark, even though that mark is in no sense "famous," plaintiffs are not entitled to any relief under the statute. Three factors have been noted by the Court of Appeals in determining whether a defendant's use of a mark similar to one registered by a plaintiff violates an anti-dilution statute: whether the mark is strong; whether there is a likelihood of dilution by a whittling down, blurring or tarnishment of plaintiffs' reputation;

and the presence of absence of predatory intent. See *Sally Gee, Inc. v. Myra Hogan, Inc., 699 F.2d 621, 625-26 (2d Cir. 1983)* ("Sally Gee"). *See* also *Astra Pharmaceutical Products, Inc. v. Beckman Instruments, Inc., 718 F.2d 1201 (1st Cir. 1983)* ("Astra").

Considered without the benefit of its incontestable status under federal law, plaintiffs' mark is weak, or at abest, of little strength. See Note 2 and accompanying text. Anti-dilution statutes require that a mark be strong in the sense of being "distinctive." See *Sally Gee, supra, 699 F.2d at 624-25; Astra, supra, 699 F.2d at 1209.* See also *Wedgewood Homes, Inc. v. Lund, 294 Or. 493, 659 P.2d 377 (1983)* (allowing relief under state anti-dilution statute although mark held not nationally famous, but relying upon survey evidence showing mark to be distinctive and locally famous). The court finds that plaintiffs' mark is insufficiently distinctive to warrant protection under the act. Nonetheless, even if the mark were held to be sufficiently distinctive, plaalintiffs would not be entitled to relief under the statute because the other elements of the dilution claim are lacking. See *Sally Gee, supra, 699 F.2d at 625-26.*

As previously noted, the parties before the court advertise in different publications and market their different products through different channels, often through direct contact with purchasers or potential purchasers. These factors make a "whittleing down," blurring or tarnishment of plaintiff's reputation highly improbable. In addition, the high quality of Rexnord's product has not been challenged by plaintiffs, and in the unlikely event that a customer were to believe that Rexnord's product was that of plaintiff's the quality of Rexnord's product would in no way harm plaintiffs' reputation. The court's conclusion tath dilution is highly unlikely in these circumstances in strengthened by the "discriminating nature of those who purchase the product[s], mak[ing] the appropriation of [plaintiffs'] goodwill and reputation by [defendant] a virtual impossibility." *Astra, supra, 718 F.2d at 1209.*

Finally, as noted above, plaintiffs have presented no evidence whatsoever of anything remotely resembling predatory intent by Rexnord.

Accordingly, plaintiffs are entitled to no relief under the Connecticut anti-dilution statute.

III.

REXNORD'S COUNTERCLAIMS

The parties agree that in the absence of a holding that confusion of the two parties' products is likely, Rexnord's counterlcaims attacking the validity of plaintiff's mark should be dismissed as moot. In any event, the court was presented with no evidence that plaintiffs procured their mark by fraud or in violation of federal trademark law, or that they have ever abandoned or intended to abandon their PLANETGEAR mark. The mark is in no sense generic. Accordingly, the counterclaims are dismissed.

CONCLUSION

For the reasons stated above, (1) plaintiffs have failed to show an entitlement to relief under either federal or state law; accordingly, defendant may continue to sue the term PLANETGEAR along with the prominent display of the company name of Rexnord or REX in association with its line of speed reducing mechanisms; and (2) Rexnord's counterclaims are dismissed.

Judgment shall enter for defendant.

It is so ordered.

Dated at New Haven, Connecticut, this 3rd day of June, 1987.

U.S. Patent and Trademark Office, Trademark Trial and Appeal Board

---

Stagecoach Properties, Inc.

v.

Wells Fargo & Company

---

199 U.S.P.Q. (BNA) 341

Decided Apr. 21, 1978

CASE HISTORY and DISPOSITION: Trademark oppositions Nos. 56,762 and 56,763, by Stagecoach Properties, Inc., against Wells Fargo & Company, applications, Serial No. 29,617, filed Aug. 15, 1974, and Serial No. 31,530, filed Sept. 9, 1974. Oppositions sustained.

HEADNOTES: TRADEMARKS

1. Opposition -- Issues determined (67.581)

Registration -- Effect (67.747)

Priority of use is not in issue in case in which opposer possesses registration of marks for services common to opposer and applicant.

2. Assignments (67.863)

Transfer with good will of business (67.869)

Formal assignment is not necessary to pass trademark or trade name from predecessor to successor; when business with which marks and trade names were associated is transferred, presumption is that rights to marks and name were transferred with business; transfer from predecessor to intermediary, who immediately transferred property to

opposer, is immaterial to validity of transfer from predecessor to opposer.

3. Marks and names subject to ownership -- Descriptive -- Particular marks (67.5081)

It would be difficult to find that representation of method of transportation could be symbol of origin for transportation service under traditional trademark principles; picture of "Boeing 747" without any identification could not be service mark for air transportation services of one airline to exclusion of others.

4. Acquisition of marks -- Character and extent of use -- In general (67.0731)

Activity outside of United States is ineffective to create rights in marks within United States.

5. Acquisition of marks -- Character and extent of use – In general (67.0731)

Stories about lunchrooms in bank's inhouse newsletter is not type of purposeful, open, and notorious use of mark to public intended to be served that results in acquisition of rights in service mark.

6. Acquisition of marks -- Dealer versus principal (67.077)

Pleading and practice in Patent Office – Rules effect (54.9)

Registration -- Related companies (67.55)

Absence from license agreements of provision for applicant's control of nature and quality of services and absence of testimony to effect that applicant does exercise any control over nature and quality of services raises question whether use of mark inures to applicant's benefit; Trademark Rule 38(b) requires that use by related company be indicated

in application when mark is not being used by applicant but is being used by one or more related companies; Trademark Rule 38(c) allows examiner to require submission of such details concerning relationship and such proofs as may be necessary and appropriate for purpose of showing that use by related companies inures to benefit of applicant and does not affect validity of mark.

7. Evidence -- Of use (67.339)

Pleading and practice in Patent Office -- In general (67.671)

There are circumstances under which applicant could be permitted to show that use of mark occurred prior to date recited in state registration just as use prior to date recited in federal application may be shown by clear and convincing evidence.

8. Title -- Licenses (67.867)

License creates relationship between licensor and licensee so that, in eyes of public, they constitute single source of goods or services offered under licensed mark.

9. Title -- Licenses (67.867)

Mutual reinforcement of public images of "The Stagecoach" restaurant in headquarters of bank that relied heavily on stagecoach as service mark for banking services is not licensing situation.

10. Title -- Licenses (67.867)

To avoid naked license, formal agreement is not necessity nor is its mere existence sufficient.

11. Evidence -- Of use (67.339)

Registration -- Foreign and state registration (67.749)

Applicant's state registration is incompetent evidence on behalf of applicant to establish use of mark.

12. Acquisition of marks -- Expansion of business (67.079)

Reputation earned in one field does not entitle applicant to register its marks over prior rights acquired by registrant in another; applicant, as subsequent user of its marks for new service, cannot be permitted to enter field new to it and create situation where confusion, mistake, or deception could arise from conflict with established registered mark of opposer in business to which applicant belatedly wishes to expand its use.

13. Acquisition of marks -- Character and extent of use -- In general (67.0731)

Historical use of stagecoaches as conveyances does not constitute use of design of stagecoach as use analogous to service mark use for restaurant services.

14. Opposition -- Mark and use of opposer -- Registration not attackable (67.5837)

Claim of invalidity will not be heard without counterclaim for cancellation of opposer's registration.

15. Evidence -- In general (67.331)

Evidence -- Of use (67.339)

Identity and similarity – How determined – Considering other marks (67.4059)

Opposition – Consideration of marks of third parties (67.573)

Opposition -- Pleading and practice (67.589)

Dun & Bradstreet credit reports offered by applicant seeking to prove use of third party designations have circumstantial guarantees of trustworthiness in that reports'

utility, and continued success of Dun & Bradstreet's business, depends on their accuracy, are offered as evidence of material fact, are more probative on point for which they are offered than any other evidence that proponent can procure through reasonable efforts, serve general purposes of Rules of Evidence, and are considered to be part of record in opposition in which opposer, which was apprised of applicant's intention to offer evidence, but did not seek to examine those who made statements reflected in credit reports or move to reset its rebuttal testimony period or to enlarge it beyond normal 15 days and did not move to strike witness' testimony on ground that notice provided was insufficient under Fed.R.E. 803(24) and 804(b)(5) so that applicant's failure to fully comply with all technical requirements of rules is deemed waived; testimonial depositions are taken during specified testimony periods, in proceedings before Trademark Trial and Appeal Board, each party having separate 30-day periods to take testmony-in-chief, opposer having fifteen day period to take rebuttal, with a 30 day pause between testimony times; names and addresses of declarants who made statements reflected in credit reports could have been demanded at deposition of Dun & Bradstreet employee and opposer would have been entitled to examine such witnesses as if under cross-examination, under Fed.R.E. 806.

16. Evidence -- Of use (67.339)

Pages of telephone directories are evidence only of fact that telephone listings appear therein, and are not admissible as evidence that names and numbers printed on pages reflect active businesses, let alone size of those businesses or duration of time they have been open.

17. Evidence -- Of use (67.339)

Copies of state registrations issued to third parties for marks containing particular word are incompetent as evidence of use of that term.

18. Opposition -- Mark and use of opposer -- In general (67.5831)

Registration -- Effect (67.747)

Territorial limitations (67.83)

Trademark Act Section 7(b)'s benefits include presumptions of ownership of mark, validity of registration, and exclusive right to use mark in commerce throughout United States; Trademark Act Section 2(d) does not permit applicant to have territorially unrestricted registrations of its design marks including area where opposer has long enjoyed prior use of closely similar design mark for identical services; opposer's priority and clear likelihood of confusion would entitle it to prevail even if its use of symbol was not technical service mark use.

19. Identity and similarity -- Words and symbols (67.413)

Name of object is deemed to be legal equivalent of picture of that object.

20. Evidence -- Of confusion (67.337)

There is no requirement of proof of actual confusion resulting from use of parties' marks in order to sustain opposition; absence of evidence of actual confusion is not persuasive that confusion is not likely absent proof of use or promotion of marks contemporanously or in COUNSEL: Theodore H. Lassange, Los Angeles, Calif., and Mason, Fenwick & Lawrence, Washington, D.C., for Stagecoach Properties, Inc. Flehr, Hohbach, Test, Albritton & Herbert, San Francisco, Calif., for Wells Fargo & Company.

JUDGES: Before Rice, Fowler, and Kera, Members.

OPINION BY: Kera, Member.

OPINION: Wells Fargo & Company, a California corporation, filed applications to same trading area so that actual confusion could occur.

21. Pleading and practice in Patent Office -- In general (67.671)

Prior adjudication (67.70)

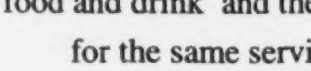
Trademark Trial and Appeal Board has statutory responsibility of reaching its own decision on issue of likelihood of confusion on basis of record, and omission of citation of opposer's registration by Examiner of Trademarks during ex parte examination of applicant's application is not binding on Trademark Trial and Appeal Board in inter partes proceeding.

22. Identity and similarity -- How determined -- In general (67.4051)

Self-serving testimony of applicant's employee to effect that confusion is not likely is not binding on board.

CLASS-NO: 54.9, 67.0731, 67.077, 67.079, 67.331, 67.337, 67.339, 67.4051, 67.4059, 67.413, 67.5081, 67.55, 67.573, 67.581, 67.5831, 67.5837, 67.589, 67.671, 67.70, 67.747, 67.749, 67.83, 67.863, 67.867, 67.869

for restaurant services -- namely, preparation and serving of food and drink[1] and the following design mark:



for the same services.[2]

---

[1] 1 Ser. No. 29,617, filed Aug. 15, 1974, alleging first use on or about Jan. 30, 1974.

[2] 2 Ser. No. 31,530, filed Sept. 9, 1974, alleging first use on or about Nov. 15, 1966.

Registration of both marks has been opposed by Stagecoach Properties, Inc.[3] After applicant answered each notice of opposition, opposer moved to consolidate the proceedings. Applicant concurred in this motion, and the proceedings were consolidated. A common record and briefs result in this decision.

Opposer alleged prior and continuing use of the mark "STAGECOACH" and the trade name "STAGECOACH INN" for restaurant services; prior use of a design of stagecoach mark for restaurant services;[4] ownership of a registration of the mark "STAGECOACH INN" (the word "INN" is disclaimed) for restaurant and motel services;[5] possession of a widespread and favorable reputation symbolized by the pleaded marks and names; and a similarity of each of applicant's marks to opposer's marks and name likely to cause confusion, mistake or deception or falsely to suggest a connection with opposer, thereby causing damage to opposer.

Applicant denied the allegations in the notices of opposition and affirmatively defended its right to obtain the registrations sought on the ground that it is a successor to the historic Wells, Fargo & Co. which, commencing in 1852, conducted a banking and express business including the overland express business from Missouri to California, in connection with which a symbol mark comprising a stagecoach and horses was used at least as early as 1867, and that the symbol mark and "WELLS FARGO & CO. OVERLAND STAGE" trade name and mark have become world-famous as symbols of applicant and its related companies.

---

[3] Opposition No. 56,762 was filed against Ser. No. 29,617 and Opposition No. 56,763 was filed against Ser. No. 31,530.

[4] The allegation of use of a mark consisting of a design of stagecoach was added by amendment after trial pursuant to Rule 15(b), F.R.C.P.

[5] Reg. No. 850,363, issued June 4, 1968; Sec. 8 affidavit accepted; Sec. 15 affidavit received.

Furthermore, applicant affirmatively asserted that opposer was guilty of fraud and unclean hands in obtaining and maintaining its pleaded registration and is therefore estopped from maintaining these oppositions. The fraud and unclean hands are alleged to result from the use of opposer's registered mark to misrepresent the source of the services in connection with which the mark "STAGECOACH INN" is used. This misrepresentation is averred to result from the use of the word mark in association with a mark depicting a design of a stagecoach on which appears the name "Wells Fargo Lines". Specimens showing the stagecoach with the words were submitted as part of the application which issued into opposer's registration and as part of the combined declaration under Sections 8 and 15 of the Trademark Act tiled between the fifth and sixth anniversaries of opposer's registration. [6]

Lastly, applicant pleaded that opposer is guilty of laches because opposer knew that applicant had made open and extensive use of its design of stagecoach mark for many years, for which reason opposer is estopped to maintain that applicant's mark is likely to be confused with the mark of opposer.

The record consists of applicant's two application files; status and title copies of opposer's registration made of record pursuant to Trademark Rule 2.122(b); notices of reliance by which opposer introduced copies of public documents and excerpts from printed publications as well as applicant's answers to certain of opposer's interrogatories; notices of reliance by which applicant introduced copies of public documents, seven of its own Federal registrations, copies of state registrations issued to third parties, excerpts from the Patent and Trademark Office file of opposer's registration, excerpts from printed publications and telephone directories, and opposer's

---

[6] Applicant did not counterclaim for cancellation of opposer's pleaded registration.

answers to certain of applicant's interrogatories; and testimonial depositions and exhibits adduced by both parties. [7]

Both parties briefed the case and were represented at the oral argument.

In this case, we have a conflict between two parties which are using, in today's commerce, symbols of the history of the American West to which each contestant lays claim as a legitimate heir of nineteenth century ancestry. Adding to the historical flavor is the fact that one of opposer's founders and witnesses, Mr. Dion Van Bibber, was born in 1883, within a few decades of the events which largely shaped the history of this country west of the Mississippi River.

Mr. and Mrs. Van Bibber moved to Salado, Texas, a town that was, in the midnineteenth century, on the Chisholm Trial. There they purchased, on the site of a stop for the Overland Stage, the Shady Villa Hotel, then closed and in need of extensive renovation and rehabilitation, which the Van Bibbers undertook themselves. Mrs. Van Bibber's original idea was to restore the property as a tea room and antique shop.

The name of the property was changed to "Stagecoach Inn of Salado", and Mr. Van Bibber made and set up some highway signs with a design of stagecoach and horses, in the mid-nineteen-forties.

At first, Mrs. Van Bibber offered a simple menu in a tea room while she also ran a gift shop. The tea room attracted favorable attention from Gourmet Magazine, Duncan Hines, and others, and the business expanded.

Although the property purchased by the Van Bibbers had a primitive motor court with six rooms, they did not rent guest rooms in the beginning. Occasionally they would rent

---

[7] Many of the exhibits, especially in applicant's case, were duplications or merely cumulative and added unnecessarily to a bulky record.

out one log cabin apartment and one stone house to military personnel stationed at near-by Fort Hood.

After a while, the operation of the restaurant became so much of a burden to the Van Bibbers that they sold the property to an individual named Lane, who carried on the same business in the same manner and under the same name for a period of about three years, after which Dion and Ruth Van Bibber repurchased the business.

The original mark used by the Van Bibbers on the signboards, stationery, reservation cards, etc. was a picture of what has been characterized as an English style stagecoach drawn by four horses with what appear to be people riding on the roof of the coach. Sometimes this design mark was used with the words "STAGE COACH INN AT THE SIGN OF THE COACH AND HORSES".

On October 8, 1959, opposer, Stagecoach Properties, Inc., was incorporated in Texas. On February 2, 1960, the Van Bibbers deeded their property to a nephew, William Bratton, who deeded it on the same day to opposer, of which corporation Mr. Van Bibber was president for several years. Mr. Bratton was, at the time of his testimony, the principal stockholder, president and general manager of opposer.

The acquisition of the property and business of the Van Bibbers by opposer and the obtaining by opposer of a one million-dollar loan resulted in a substantial expansion of opposer's facilities. The restaurant was expanded to five dining rooms, a new kitchen was built, and a motel, conference rooms, coffee shop, swimming pools and a private lake were added to the facilities. Three years later, another thirty motel units, raising the total to sixty-six, were added.

At about the time that opposer corporation acquired the property and business from the Van Bibbers, opposer adopted a mark about which much argument has arisen in this proceeding. This mark is "STAGECOACH INN, SALADO, TEXAS" and a picture of a Western style stagecoach pulled by a team of four horses, with a driver and a guard in the driver's seat. The controversial feature is the appearance of

the words "WELLS FARGO LINES" in relatively very small type along the top edge of the side of the stagecoach. This mark was registered as a service mark in Texas for motel and restaurant services on June 4, 1964 with a claim of first use in October 1960. The mark was reregistered on May 22, 1974. This registration was voluntarily cancelled by opposer on August 3, 1976 "to remove from the service mark the words 'Wells Fargo Line'". Opposer retained a Texas state registration for a service mark consisting of the words "STAGECOACH INN" superimposed on a silhouette of a stagecoach with a driver, guard and passengers and a team of six horses, underneath which are opposer's address and telephone number. [8]

Mr. Bratton, opposer's second witness, testified on cross-examination about the use of "WELLS FARGO LINES" on the stagecoach design as follows:

> "Q. Drawing your attention to opposer's Exhibit K, on the symbol of the stagecoach is there any text appearing thereon?
>
> "A. Yes, you can read the words 'Wells Fargo Lines' on the coach."

The relative size and the positioning of the words "WELLS FARGO LINES" in opposer's design are indicated by the followinging reproduction of the letterhead of an item of stationery in evidence:

> The same illustration was used on a rate card first used in 1964, on a motel registration form used since 1963, and in a brochure used in 1969 or 1970 to attract business from groups and organizations.

Our careful examination of the various exhibits in which the picture of the stagecoach with the words "WELLS FARGO LINES" appears has convinced us that the quoted

---

[8] The state registrations are relevant only for the light they may cast on opposer's intent, if any, in using a design of stagecoach bearing the words "WELLS FARGO LINES".

words were never intended to be anything more than part of the illustration. The allusion was wholly historical; although Wells Fargo may not have operated stages over the Chisholm Trail, applicant's evidence shows that Wells Fargo had an interest in the stage line which did operate through Texas over the ox-bow route until the Civil War forced a change to the central route in 1861, so the historical connection of Central Texas to the Wells Fargo stagecoach business was not remote. We are convinced that opposer did not intend, and probably did not create, any impression that its business is or was connected to that of opposer or to any of the other companies which have been named "Wells Fargo" Applicant's own evidence demonstrates the powerful hold which the name "Wells Fargo" has on the American national imagination as a dominant symbol of the Old West during the era when the stagecoach was the means of transporting goods and people across the great plains and the mountains to virtually the entire country west of the Mississippi River before the first transcontinental railroad was completed and to many territories and states not served by railroads for many years after the first transcontinental rail service was initiated.

In the light of history and the literature history has spawned, the relatively insignificant size of "WELLS FARGO LINES" in the printer's cut, the obvious association of those words with the stagecoach, the very prominent use of "STAGECOACH INN" and the use of the address Salado, Texas on all of the items where the printer's cut was used, the source of the illustration and the total absence of any reference by opposer to Wells Fargo other than the name on the side of the stagecoach in this particular illustration lead to the conclusion that the words "Wells Fargo Lines" were part of the picture of the stagecoach with a historical connotation and did not constitute any attempt by opposer to appropriate any part of the commercial goodwill of applicant or any other company which, during the period of operation of the "STAGECOACH INN" restaurant and motel, used or uses "WELLS FARGO" as a mark or name.

Opposer has promoted and advertised its motel and restaurant services by means of highway billboards, signs on its property, rate cards, leaflets, brochures, stationery, placemats, menus, and radio commercials broadcast in Dallas. While not all of these promotional devices have been used since Mr. Van Bibber placed his first highway signs about thirty years ago, the evidence shows that promotion of the business under the name and mark "STAGECOACH INN" has been continuous since at least as early as the nineteenfifties and probably the late nineteen-forties. The words have been used alone and together with a picture of a stagecoach, the legend "Est. 1847", and "Salado, Texas", all inside of an oval frame as well as with the picture of the "Wells Fargo Lines" stagecoach. Hundreds of thousands of promotional leaflets have been mailed and distributed to guests at the motel. In 1959 or 1960, Mr. Van Bibber bought a stagecoach, on which was painted "The Stagecoach Inn of Salado, Texas", for display at the inn.

From 1961 to 1976, opposer expended in excess of $150,000 for advertising. Over the same period of time, restaurant sales alone exceeded $7,600,000.

In addition to its own promotion and advertising, opposer's restaurant has benefited from very favorable reviews in the publications Life (July 1, 1957), Time (September 23, 1966) and Ford Times (March 1962, repeated May 15, 1963). The motel was favorably reviewed in VW Travel Report (June 1963).

During the years 1968 to 1970, opposer operated a second "STAGECOACH INN" restaurant in Houston, Texas. This restaurant was closed because opposer was unable to find a manager and to train personnel to maintain the high standards of quality of the restaurant in Salado. When the Houston restaurant was opened, it was opposer's intention to expand its operation, and Mr. Bratton testified that other restaurants might be opened in additional locations if managers capable of maintaining the quality of the food and service at Salado could be found.

Mr. Van Bibber testified that he became aware of other "Stagecoach Inns" in Texas during the nineteen-fifties, including one at Nacogdoches and one at Round Rock, and during the following decade he visited many "Stagecoach Inns" in California, including a famous inn near Sonora.

In one case, a Stage Coach Inn restaurant in San Antonio, Texas caused actual confusion among persons trying to make reservations by telephone. In this case, opposer's counsel wrote a letter of protest which resulted in a cessation of the use of "Stage Coach Inn" by the restaurant in San Antonio.

Although, on the evidence, the designation "STAGECOACH INN" was used by Mr. and Mrs. Van Bibber, then by Lane, and then by the Van Bibbers continuously from the late nineteen-forties up to the sale of the business to Stagecoach Properties, Inc. in 1960, the original Texas state registration recited October 1960 as the date of first use of "STAGECOACH INN" and design of stagecoach with the words "WELLS FARGO LINES". In his testimony, Mr. Bratton explained the claimed date of use as the first date of use by the corporation, which, however, had acquired the property in February 1960. The more likely explanation is that the particular design of the stagecoach was not used until October 1960. In any case, by 1960, the use of a design of a stagecoach, as well as the words "STAGECOACH INN", by opposer and its predecessors was well-established.[9]

There was no formal assignment of any mark or name from the Van Bibbers to Bratton or from Bratton to Stagecoach Properties, Inc. However, a formal assignment is not necessary to pass a trademark or trade name from a predecessor to a successor, and when the business with which marks and a trade name were associated is transferred, the

---

[9] Insofar as the words "STAGECOACH INN" are concerned, priority of use is not in issue because opposer possesses a registration of the mark for restaurant and motel services. See: *King Candy Company v. Eunice King's Kitchen, Inc., 182 USPQ 108* (CCPA, 1974).

presumption is that rights to the marks and name were transferred with the business. See: *Harzfeld's Incorporated v. Joseph M. Feldman, Inc., 184 USPQ 692* (TT&A Bd., 1974); *Sales Analysis Institute, Inc. v. Sales Training, Inc., 181 USPQ 341* (TT&A Bd., 1973); and *Airport Canteen Services, Inc. v. Farmer's Daughter, Inc., 184 USPQ 622* (TT&A Bd., 1974). This presumption is strengthened in the instant case because one of the transferors of the property, Mr. Van Bibber, became the president of the ultimate transferee, opposer herein. The transfer from the Van Bibbers to Mr. Bratton, an intermediary, who immediately transferred the property to opposer, is immaterial to the validity of the transfer from the Van Bibbers to opposer corporation. See: *J. C. Hall Company v. Hallmark Cards, Incorporated, 144 USPQ 435* (CCPA, 1965). Opposer became, by virtue of the transfers of the property, the owner of the business and the marks and name used by the business, which, by its very nature as a restaurant (as it was preceding the transfer), was intimately connected to the place where it was conducted as well as to the historical character of that particular location so that it retained a continuing goodwill in the same locale. The transfer of ownership of the property effected a transfer of ownership of the restaurant business, and along with the business went the goodwill and its symbols.

Applicant's evidence falls into four more or less different categories. The first three are a history of Wells Fargo since 1852; a description of Wells Fargo operations in Mexico; and an outline of the restaurant services, in applicant's banks and other locations, provided by applicant and its purported licensees. These three groups of testimony and exhibits are intended to show the entitlement of applicant to use and register its design of stagecoach marks on the basis of a public association of the design with applicant. Some peripheral evidence was adduced in support of this theory. The fourth group of applicant's testimony and exhibits is intended to show the widespread use of the word "STAGECOACH" by many different parties to such an extent

that the likelihood of confusion between the marks of applicant and opposer is precluded.

The early history of Wells Fargo is complex and interesting, but for the reasons which will appear, it may be sketched in broad terms. The original Wells, Fargo & Co. (the punctuation and the spelling or abbreviation of "Company" have varied over the years, sometimes as the result of formal amendment and sometimes as the result of temporary idiosyncrasy) was organized under the laws of New York in 1852 specifically to provide banking and express services in the burgeoning California economy sparked by the great gold rush. Operations were started in California in the same year and were immediately successful. In 1855, as a result of the San Francisco banking panic, Wells Fargo became the dominant bank and express company in California.

In 1857, Wells Fargo and three other express companies, American, National, and Adams, established the Overland Mail Company, which carried mail, express and passengers across the west. Wells Fargo continually expanded its holdings and interests until, by the grand consolidation of 1866, Wells Fargo became the sole owner of the Great Overland Mail Route, which transported people, mail and express from just west of the Missouri River to California. As the transcontinental railroad was constructed east from California and west from Missouri, Wells Fargo provided transportation between the railheads and from the railroad to virtually all of the west until different sections were, in time, reached by new railroad lines.

When the stagecoach lines were being operated, Wells Fargo, either directly or through arrangements with others, maintained swing stations and home stations. Passengers could use toilet facilities and obtain water at the swing stations, where the stagecoach line changed drivers. Food and sleeping accommodations were provided at the home stations.

As the development of the western railroad system progressed, Wells Fargo, which had become a corporation of Colorado as a result of the consolidation of 1866,

transformed its express service into a railroad operation which continued until World War I, when the nation's railroads were operated by the Federal government and all of the major express companies were consolidated into the American Railway Express Agency.

It is clear from the record that, by the first decade of the twentieth century, the last vestiges of the western stagecoaching operations had passed into history and had become part of American folklore.

There is no doubt that stagecoaches were associated by the public with Wells Fargo during the last half of the nineteenth century and that this association has been perpetuated by books, motion pictures and television programs to the present day. The connection is natural because stagecoaches were a principal means of transportation used by Wells Fargo. Express wagons, horses ridden by messengers, steamships on inland lakes and rivers and even dog sleds were also used to deliver mail, gold and silver bullion, and goods. However, public knowledge that these methods of transportation were used by Wells Fargo does not mean that pictures thereof, in this case pictures of stagecoaches, were or are recognized as service marks for a quite different business. Indeed, under traditional trademark principles, it would be difficult to find that a representation of the method of transportation could be a symbol of origin for the transportation service. It would be much like saying that a picture of a "BOEING 747" airplane, without any markings or other identification, could be a service mark for the air transportation services of one airline to the exclusion of all other airlines. Clearly this could not be so even for the first or for a dominant user of "747" aircraft.

Returning to the Wells Fargo story, we find that the banking business was in time sold by the Colorado corporation. In 1905, the San Francisco bank was sold to and merged with The Nevada National Bank of San Francisco. Through a subsequent series of mergers, that bank evolved into the applicant in this proceeding The Wells Fargo banks in

Portland, Oregon and Salt Lake City, Utah were also sold in 1905, and the sale of the New York City bank in 1911 completed the disposition of the banking business of the Colorado Wells Fargo corporation. In 1969, applicant acquired from the Colorado corporation all of the right, title and interest in the name "WELLS FARGO" and the Pony Express Rider design still possessed by the Colorado company together with certain assets of the Colorado company. Thus the Colorado and California Wells Fargo companies were reunited after sixty-four years. This 1969 transaction did not mention any "STAGECOACH" or stagecoach design mark or name and did not include any rights to "WELLS FARGO" or the Pony Express Rider design for protective security services because that part of the business had been sold by the Colorado company to Baker Industries in 1967. Indeed, from the record in this case, it appears that by 1969 the Colorado company was a shell possessing nothing more than tons (literally) of memorabilia and historical records and some stockholdings in apparently inactive companies.

In sum, while the history of Wells Fargo is a remarkable tale of the organization and management of a far-flung transportation system from the Missouri River to the Pacific Ocean, a highly successful banking business and the successful transformation of the express part of the business from horsedrawn vehicles to the use of railroads, we are not persuaded that the public's knowledge of the use of stagecoaches in the pre-railroad era has been translated into a recognition of a stagecoach design into a service mark uniquely identifying applicant's restaurant services at the present time, particularly in the face of opposer's intervening rights.

Although this is slightly ahead of our story, the third-party uses of the word "STAGECOACH" which applicant has sought to introduce in the record in effect militate against applicant's claim. If this evidence has any value at all, it shows multifarious uses of "STAGECOACH" as an identifying

symbol for many restaurants all over the country. If this is so, the word "STAGECOACH" and the mental image it conjures up cannot be uniquely identified with applicant. The historical significance of stagecoaches and stagecoaching is just that -- historical -- and the history belongs to the country at large. In these circumstances, applicant must justify its use of the stagecoach design marks over intervening use by opposer on some basis other than applicant's descent from the old Wells Fargo business. Even though the stagecoach line did provide food service as part of its transportation service, that phase of its business ended over seventy years ago, and, also, we observe that the identifying symbols used in connection therewith were words, such as "WELLS FARGO", but not a picture of a stagecoach, which, during the stagecoaching period, was a depiction of how the transportation was provided, mostly by Wells Fargo, the dominant company, but also by others.[10]

Applicant has, as mentioned, shown that the Colorado company (a predecessor of applicant as a result of the 1969 transaction) was for a time, engaged in the tourist business Insofar as this record shows, the tourist trade was largely conducted in Mexico, where two operations were carried on. There was a tourist ranch called Rancho Telva at Taxco and there was a restaurant, touring and entertainment business conducted at Acapulco for passengers of the Panama Pacific Line steamships who wanted an excursion on shore during a stopover. Hotel Rancho Telva was sold by the Colorado corporation in 1962, some seven years prior to the sale of its

---

[10] Although applicant adduced voluminous testimony and exhibits about the nineteenth century stagecoach operations and the service of food at the home stations, it clearly did not rely thereon to establish a date of first use in either of its applications. This says something about the validity of this line of argument in the defense to the oppositions -- if stagecoaches identified applicant's services as long as a century ago, those services included the serving of food at stagecoach stops, and the reputation persisted to the present time, all essential elements of the defense, why claim a date as late as November 15, 1966 in the Federal application as well as in applicant's California state registration?

assets to applicant. The Acapulco tourist business was effectively ended by the outbreak of World War II and, on this record, was never resumed. Applicant's argument, of course, is that people from the United States stayed at Hotel Rancho Telva and ate and were entertained at Acapulco, so that the reputation of the Colorado company as a purveyor of food and drink was carried well into the twentieth century. There is, however, no evidence to show that the Colorado company used a design of a stagecoach, in any form, as a sign or mark to identify its services at Taxco or Acapulco. In addition applicant's argument ignores the fundamental rule that activity outside of the United States is ineffective to create rights in marks within the United States. See: *Oland's Breweries [1971] Limited v. Miller Brewing Company, 189 USPQ 481* , 483 n.2 (TT&A Bd., 1975), affirmed, *192 USPQ 266* (CCPA, 1976); *Imperial Sugar Co. v. Imperial Products, 139 USPQ 344* (TT&A Bd., 1963). There is no reason in this case to depart from the rule, especially when the intent of an exception would be to defeat an opposition by the owner of a registration of a mark whose exclusive right to use the registered mark in commerce is incontestable. See: Sections 15 and 33(b) of the Trademark Act.

The Colorado company owned the Bellevue resort hotel at Lake Tahoe from 1891 to its destruction by fire in 1893 and sold the property in 1894. This activity was so long ago and so brief in duration that it has no effect of any kind on this opposition.

A lunchroom was first opened by one of the predecessor banks of applicant in June 1918, apparently to provide luncheon facilities for the first women employed by the bank. A similar lunch room and lounge was opened for male employees at the bank. At least one lunchroom was maintained at the headquarters of the bank from 1918 to 1960, was temporarily discontinued when a new building was under construction, and was reopened when the new headquarters building was completed. Lunchrooms were opened in branches of the bank (we refer to both applicant and its

predecessor banks) until, at the time of the testimony herein, applicant had lunchrooms at 16 locations in seven cities.

The lunchrooms operated by applicant and its banking predecessors were and are for the convenience and use of employees of the bank. Members of the public were not barred but constituted only a minute percentage of those using the lunchrooms and then usually, if not exclusively, as guests of banking employees. The testimony about the lunchrooms is part of the attempt by applicant to stitch together a tapestry depicting restaurant activities conducted under the banner of a stagecoach design, but in this instance the banner is not in view. The bank's employees and their guests of course knew the auspices under which the lunchrooms were operated, but there is no persuasive evidence of any purposeful promotion of a stagecoach design mark for restaurant services by applicant or any of its predecessor banks either to the general public or to its employees, and we find that rights in a design of stagecoach mark were not created by the operation of the lunchrooms in a headquarters building or in branches. See: *Computer Food Stores Inc. v. Corner Store Franchises, Inc., 176 USPQ 535* (TT&A Bd., 1973). Stories on the lunchrooms in the bank's in-house newsletter is not the type of purposeful, open and notorious use of a mark to the public intended to be served, in this case the general public, which results in the acquisition of rights in a service mark. The fact that the banking services may have been identified by a stagecoach symbol and that the employees worked for the bank does not fill the gap. We are here concerned with restaurant, not banking, services.

Insofar as the use by licensees of either one of applicant's stagecoach design marks is concerned, the record shows that among the items transferred by the Colorado Wells Fargo corporation to applicant in 1969 were three license agreements. The first agreement, dated April 8, 1966, was with two individuals in a partnership trading as Wells Fargo Store. There is no information about where the store was

located, what goods it sold, what the sales volume was, or how long the license agreement was in effect.

The second agreement, dated March 9, 1966, was made with two individuals trading as Wells Fargo Drive-In and operating a drive-in restaurant in Evansville, Indiana. It is sufficient to note that Schedule B to the 1969 contract between the Colorado corporation and applicant stated that the licensees were then in default under the license agreement.

The third license listed in Schedule B was the subject of a contract dated April 26, 1966 with Pioneer City, Inc. We know nothing about this license except that Schedule B shows that the licensee was then in default.

Applicant has itself entered into four license agreements for the use of a mark comprising the word "STAGECOACH" or a design of stagecoach for restaurants. First, there was an agreement dated December 15, 1965 with Mr. Clement Dupuis for the use of "THE STAGECOACH" for one restaurant located in the Wells Fargo Building in San Francisco. This agreement contains no provision for control by applicant over the nature and quality of the food and service of the restaurant. There is no testimony to the effect that applicant does exercise any control over the nature and quality of the food and service provided by the restaurant. In the circumstances a question arises whether the use of the stagecoach design by the restaurant inures to the benefit of applicant. See: *Sheila Shine Products, Inc. v. Sheila Shine, Inc., 179 USPQ 577* (CA 5, 1973); *Dawn Donut Company, Inc. v. Hart's Food Stores, Inc., 121 USPQ 430* (CA 2, 1959); *National Lampoon, Inc. v. American Broadcasting Companies, Inc., 182 USPQ 24* (DC NY., 1974), affirmed, *182 USPQ 6* (CA 2, 1974); *Clairol Incorporated v. Holland Hall Products, Inc., 165 USPQ 214* (TT&A Bd., 1970).[11]

---

[11] Applicant's answer to opposer's interrogatory 7, upon which opposer has filed a notice of reliance, states that the use of both marks sought to be registered has been by a related company but not by applicant. Neither one of applicant's applications states that the use relied

Although the letter agreement which is the license contract between applicant and the operator of the restaurant in the Wells Fargo Building is dated December 15, 1965, there is a complete absence of any testimony to show when the restaurant actually commenced operations under the name "THE STAGECOACH" and, crucially, when the restaurant began to use the unbordered design of stagecoach mark. In this connection, it is noted that, whereas the letter agreement specifically authorized the use of the name "THE STAGECOACH", the use of a stagecoach design was only a future contingency, as shown by stipulation 1 of the agreement: "Any emblem used for menus, letterheads, etc., would be a stylized stagecoach, perhaps in silhouette form and subject to approval by the bank. This insignia would be un-enclosed and there would be no mention of Wells Fargo and Company on the coach." There is no evidence that applicant at any time approved the stylized stagecoach design which appears on the specimens of record in the application file (paper napkins).

Furthermore, if the use of the unbordered stagecoach design mark by the licensee in the Wells Fargo Building is the use relied upon by applicant for its claim of first use in 1966, which is the case, [12]the question arises whether this position is

---

upon for registration has been by a related company despite the requirement of Rule 2.38(b) that use by a related company must be indicated in the application when the mark is not being used by applicant but is being used by one or more related companies. Rule 2.38(c) allows the Examiner to require the submission of such details concerning the relationship and such proofs as may be necessary and appropriate for the purpose of showing that the use by related companies inures to the benefit of the applicant and does not affect the validity of the mark.

Accordingly, pursuant to Rule 2.131, we recommend that, if applicant ultimately prevails on the inter partes issues pleaded and tried, the Examiner reexamine the applications in the light of Rule 2.38 and require applicant to furnish specific and concrete evidence of the nature and control, including periodic inspections, exercised by applicant over the use of the marks by applicant's licensees over the duration of the licenses.

[12] This is shown by applicant's California state service mark Registration No. 2206, filed March 21, 1973, which states that the service

consistent with two of the stipulations in the letter agreement. The first inconsistent stipulation, contained in the paragraph quoted above, is that there would be no mention of Wells Fargo and Company on the coach. The second provision raising the question is stipulation 3: "Any items to be displayed within the restaurant would need prior approval of the bank if they show a relationship to Wells Fargo."

The contradiction between the terms of the letter agreement and the claim, in the application filed nine years later, that the restaurant's use of the stagecoach design was a licensed use inuring to applicant's benefit exists because it is apparent from the terms of the agreement that the bank, in 1965, was putting some distance between itself and the restaurant and was, in fact, acting contrary to what a licensor normally does when a true license is intended. A licensor naturally wants the licensee to show a relationship to the licensor. That is the nature of a license as embodied in Section 5 of the Trademark Act. A license creates a relationship between the licensor and the licensee so that, in the eyes of the public, they constitute a single source of the goods or

---

mark is a stagecoach design; that the date of first use anywhere and the date of first use in California was on or about November 15, 1966; and that the "[r]ight to register is based on use by applicant's licensees, Far Western Stagecoach, Inc., a California corporation having a place of business at 44 Montgomery Street, San Francisco, California, and Stage Coach Enterprises, a California corporation, having a place of business at 1131 Fremont Street, Monterey, California." 44 Montgomery Street, San Francisco, is the address of the "STAGECOACH RESTAURANT" of Mr. Dupuis. The agreement with Stage Coach Enterprises, of Monterey, was made as of January 1, 1972. Hence, the date of first use claimed, November 15, 1966, must have been based on the use of a stagecoach design by Mr. Dupuis at 44 Montgomery Street. The California state registration, which was put into evidence by applicant, may be taken as an admission against applicant. Insofar as a first date of use is concerned, there are circumstances under which an applicant could be permitted to show that use of a mark occurred prior to the date recited in a state registration just as use prior to the date recited in a Federal application or registration may be shown by clear and convincing evidence. See: *Rockwood Chocolate Co., Inc. v. Hoffman Candy Company, 152 USPQ 599* (CCPA, 1967). Those circumstances are not present in this case.

services offered under the licensed mark. See: *Turner v. HMH Publishing Company, Inc., 154 USPQ 330* (CA 5, 1967).

Contrary to the normal purpose of a license, i.e., a merger of the interests of the licensor and the licensee for activities conducted under the licensed mark, applicant specifically prohibited the use of the words "Wells Fargo and Company" on the coach if the restaurant were to use a design of stagecoach and required prior approval by the bank if the restaurant were to display items showing a relationship to Wells Fargo. One would expect, in a true licensing situation, that the bank would not prohibit the use of "Wells Fargo and Company" on a picture of a stagecoach and would require prior approval of all items to be displayed in the restaurant, not merely those showing a relationship to Wells Fargo. The inescapable effect of a license from one party to another of the name of a restaurant is to show a relationship between the restaurant and all its works and the licensor. The very fact that such a relationship was, in the contemplation of the parties in December 1965, only a future possibility, depending on the display of items which might or might not be used, is a powerful indication of the fact that the letter agreement of December 15, 1965 was not a license.

While the testimony of applicant's witness in the relationship of the bank to the restaurant in the Wells Fargo Building is very sparse, it does reveal that the owner of the restaurant, Mr. Dupuis, owned a restaurant in a different location, and when the Wells Fargo Building was under construction, proposed to move his restaurant to the new building. Absent evidence to the contrary, we would presume that an experienced restaurateur would not surrender to a bank any vestige of control over his establishment. In the light of the stated facts and presumption and the terms of the letter agreement and the inferences drawn therefrom, we conclude that the letter agreement did not constitute a license for the use of "THE STAGECOACH" as a name or service mark or for the possible future use of a stagecoach design as a service mark, but rather represented a mutual accommodation of

independent interests whereby applicant would not object to certain uses of "THE STAGECOACH" or a picture of a stagecoach by the restaurant in return for the advantage of having a restaurant located in the bank's headquarters building and the maintenance by the restaurant of an identity separate and apart from the bank. The presence of "THE STAGECOACH" restaurant in the headquarters of a bank which has relied heavily on a stagecoach as a service mark for banking services probably contained advertising and promotional advantages for both the bank and the restaurant, but this mutual reinforcement of their public images is not a licensing situation.

We have dwelt at length on the relationship or arrangement between the bank and the restaurant in its headquarters because that is the only apparent basis in the record for applicant's claim of November 15, 1966 as the date of first use of the unbordered stagecoach design mark (applicant's answer to opposer's interrogatory 7 disavowed any use of any stagecoach design mark by applicant itself and affirmed that use has been by a related company).

Moreover, if the use of the stagecoach design by "THE STAGECOACH" restaurant is, as we have found, not a licensed use but an independent use of the design by the restaurant, then applicant is not entitled to rely in this proceeding on November 15, 1966 as the date of first use of the unbordered stagecoach design mark.

It was stipulated on the record at the taking of applicant's testimony that copies of the letter agreement between the bank and Mr. Dupuis and the three other license agreements between the bank and various restaurants for the use of a stagecoach design (in two agreements, the word mark "STAGE COACH" or "STAGECOACH" was also licensed and in the third agreement the word mark "WELLS FARGO" was also licensed) had been furnished by applicant to opposer in response to requests for production of documents. Opposer's attorney then offered the documents in evidence. There was no objection. Applicant was then and there on

notice that the license agreements were part of the record. Notwithstanding that fact, applicant failed to offer any testimony to show any exercise of any control over the nature and quality of the services provided under the purported licenses. The three license agreements (excluding the letter agreement with Mr. Dupuis) do have formal quality control provisions, but there is no evidence to show that the bank ever discharged its duty as a licensor to supervise and control the nature and quality of the operations. To avoid a naked license a formal agreement is not a necessity nor is its mere existence sufficient. See: *National Lampoon, Inc. v. American Broadcasting Companies, Inc., supra.*

Furthermore, there is no evidence in the record to show that any of the three licensees (other than Mr. Dupuis) has ever in fact used a stagecoach design as a service mark for a restaurant. Applicant's California state registration is incompetent evidence on behalf of applicant to establish use of the mark. See: *Neville Chemical Company v. The Lubrizol Corporation, 183 USPQ 184* (TT&A Bd., 1974); *The State Historical Society of Wisconsin v. Ringling Bros.-Barnum & Bailey Combined Shows, Inc., 190 USPQ 25* (TT&A Bd., 1976). We have held that the use of a stagecoach design mark by Mr. Dupuis' restaurant, which one of applicant's witnesses did see, was not use under a license and did not inure to applicant's benefit. Hence, there is no competent evidence in the record of the date of first use of either of applicant's marks to say nothing of the extent of use of either of applicant's marks.

Applicant also adduced testimony and exhibits to show the long-continued and extensive use of a picture of a stagecoach as a dominant symbol in the advertising and promotion of its banking and banking-related financial services. There is no doubt that applicant's efforts in this direction have been impressive and there is no reason to doubt the opinion of its advertising manager that the stagecoach symbol is well-established in the public mind as an identification of the bank at least in those areas where the

bank operates branches and conducts intensive advertising and promotional compaigns. However, there is a world of difference between banking and operating a restaurant. The reputation earned in one field does not entitle applicant to register its marks over the prior rights acquired by a registrant in the other. The reason for this is that applicant, as a subsequent user of its marks for a new service, cannot be permitted to enter a field new to it and create a situation where confusion, mistake or deception could arise from a conflict with the established registered mark of opposer in the business to which applicant belatedly wishes to expand its use. See: *Key Chemicals, Incorporated v. Kelite Chemicals Corporation, 175 USPQ 99* (CCPA, 1972); *Haggar Company v. Hugger Corporation, 172 USPQ 253* (TT&A Bd., 1971); *Airport Canteen Services, Inc. v. Farmer's Daughter, Inc., supra.* On the same rationale, the various Federal registrations of applicant, which it has put into the record, for banking and trust services and for diverse goods are of no assistance. Applicant's registration of "WELLS FARGO" for restaurant services is of no help because it is for a vastly different mark from either of those involved in this proceeding and because there is no competent evidence to show the use of "WELLS FARGO" for restaurant services subsequent to the issuance of the registration in 1967. Cf., *Airport Canteen Services, Inc. v. Farmer's Daughter, Inc., supra.*

The "WELLS FARGO" registration for restaurant services, which claims first use on November 22, 1963, is interesting for the absence therefrom of any design of a stagecoach. If a stagecoach design were so intimately associated with applicant for restaurant services since the 1850's as applicant is now asserting, one would have expected the design to appear when "WELLS FARGO" was registered for restaurant services. We note, for example, that the stagecoach designs were registered alone in 1963 for banking and trust services and in conjunction with "WELLS FARGO BANK AMERICAN TRUST COMPANY 1852" in 1963 for banking services and "WELLS FARGO BANK" in 1965 for banking and trust services. These facts corroborate

our conclusion that applicant's present reliance upon the use of stagecoaches in its business 100 years ago and upon its employee lunchrooms is an argument constructed as a defense to the opposition but does not reflect reality in the world of marketing restaurant services or what applicant has historically construed its actual rights to be.

Since we do not consider that the historical use of stagecoaches as conveyances constituted use of a design of stagecoach as a use analogous to a service mark use for restaurant services, can give no weight to the Mexican operations as affecting applicant's right to the registrations now being sought, find that the operation of employees' lunchrooms did not amount to use of a design of stagecoach in a manner analogous to a service mark use for restaurant services, conclude that there is no competent evidence of use of either of applicant's marks by any licensee, and find that there has been no use of either mark by applicant itself, applicant is restricted to the filing dates of its applications. See: *Dap, Inc. v. Century Industries Corporation, 183 USPQ 122* (TT&A Bd., 1974); *Exxon Corporation v. Fill-R-Up Systems, Inc., 182 USPQ 443* (TT&A Bd., 1974); cf., *Lone Star Manufacturing Co., Inc. v. Bill Beasley, Inc., 182 USPQ 368* (CCPA, 1974).[13] Priority of use is, of course, an issue only with respect to opposer's trade name and unregistered marks. It is not an issue with respect to opposer's registered mark. See: *King Candy Company v. Eunice King's Kitchen, Inc., supra.*

We turn now to the very interesting questions posed by applicant's proffer of Dun & Bradstreet reports to show the existence of other relevant businesses under corporate and/or trading names which include the word "STAGECOACH" in an effort to reduce the scope of protection due to opposer's

---

[13] Reexamination of the applications by the Examiner should include the questions whether there was any use of either of applicant's marks by a party related to applicant within the meaning of Sec. 5 of the Trademark Act prior to the respective filing dates and what the correct dates of first use are.

mark so as to remove applicant's marks from the area where likelihood of confusion exists.

Applicant caused to be issued to Dun & Bradstreet, Incorporated a subpoena duces tecum to produce a witness and copies of D & B credit reports for eighty-six businesses specified in the subpoena. Dun & Bradstreet responded to the subpoena by designating Mr. Marvin Schrater, a senior analyst for that company whose duties include the investigation of the creditworthiness of large companies and the preparation and writing of D & B credit reports.

Mr. Schrater testified that a credit report is prepared on a new business as the result of an inquiry from a D & B subscriber Once a file on the business is opened, the file is, for most businesses, brought up to date every six months on a regular basis. The information that goes into a D & B report is collected initially by contacting the management or owners of the company or business about which the report is being prepared and other sources of information, such as banks, suppliers and public records. At one time or another, every business on which a credit report is prepared has a personal visit from a D & B investigator. After the initial report is prepared, there are follow-up calls by telephone or personal visit, and items appearing in public records, news sheets, newspapers and other sources are collected and evaluated for their effect on a business. If an organization is not conducting business, D & B does not issue a credit report or advises the subscriber to that effect. The witness testified that the reports produced in response to the subpoena were prepared in the manner described and had been obtained from various Dun & Bradstreet office files around the United States.

Mr. Schrater further testified that the identification in a D & B report of the name under which an organization is conducting business is an accurate identification, that the organizations are (more precisely, we think, were -- at the time of preparation of the report) offering the goods and services described in the D & B reports, that all or some of the reports reflect the dates when the businesses were organized

or incorporated, that such dates are taken from public records, that the reports were prepared and kept in the course of the regular business of Dun & Bradstreet, and that the D & B credit reports were not prepared especially for Mr. Schrater's deposition.

Opposer objected to Mr. Schrater's testimony and to the introduction into evidence of the D & B reports on the grounds they are incompetent, irrelevant, immaterial, hearsay, not the best evidence of the facts related in them, and on the further ground they constitute a collateral attack on the validity of opposer's registration.

The last ground can be answered quickly. Applicant has not contended that the reports indicate any invalidity of opposer's registration nor that applicant is in privity with any of the businesses on which the reports were prepared so that the use of "STAGECOACH" by any of those businesses could be a predicate for a counterattack on opposer's registration. There is no counterclaim for cancellation of opposer's registration, without which a claim of invalidity will not be heard. See: *Contour Chair-Lounge Co., Inc. v. The Englander Company, Inc., 139 USPQ 285* (CCPA, 1963); Rule 2.106(b). The D & B reports were offered for the sole purpose of showing that opposer's registered mark "STAGECOACH INN", unregistered marks "STAGECOACH" and design of stagecoach and trade name "STAGECOACH INN" are so circumscribed by third-party uses that there is no likelihood of confusion between opposer's marks and name and applicant's marks. In effect, applicant was attempting to meet the often-repeated criticism by the Court of Customs and Patent Appeals and by this Board of the offering of copies of third-party registrations for the purpose of showing that an opposer's mark is weak because mere registrations do not prove any public knowledge or recognition of those marks or show any ability by the relevant purchasing public to avoid confusing the marks or mistaking one for the other. Since proof of the existence of registrations of third-parties, without

more, are usually of little or no avail to an applicant, in this case applicant sought to prove use of third-party designations.

Our task is to decide whether, and if so to what extent, the D & B reports are admissible in evidence in the technical sense of being considered probative of facts of consequence to the decision. We must decide whether the reports are admissible at all and, if so, what facts they prove.

The Dun & Bradstreet credit reports are the products of statements made by persons not called as witnesses in this proceeding. To the extent that the reports represent not the personal observations of the Dun & Bradstreet employees who compiled the reports but information obtained by them from public records and from others (including owners, managers and employees of the businesses, newspaper accounts, etc.), the reports are hearsay within hearsay. Rule 805, Federal Rules of Evidence, states, "Hearsay included within hearsay is not excluded under the hearsay rule if each part of the combined statements conforms with an exception to the hearsay rule provided in these rules."

None of the specific exceptions to the hearsay rule provided in Rule 803, F.R.E. or in Rule 804, F.R.E. applies to the situation. The terms of Rule 803 (24), F.R.E. and Rule 804 (b)(5), F.R.E. are identical; Rule 804(b)(5) is here quoted:

> "(5) Other exceptions. A statement not specifically covered by any of the foregoing exceptions but having equivalent circumstantial guarantees of trustworthiness, if the court determines that (A) the statement is offered as evidence of a material fact; (B) the statement is more probative on the point for which it is offered than any other evidence which the proponent can procure through reasonable efforts; and (C) the general purposes of these rules and the interests of justice will best be served by admission of the statement into evidence. However, a statement may not be admitted under this exception unless the proponent of it makes known to the adverse party sufficiently in advance of the

> trial or hearing to provide the adverse party with a fair opportunity to prepare to meet it, his intention to offer the statement and the particulars of it, including the name and address of the declarant."

Rule 803, F.R.E. applies regardless of whether or not the declarant is available as a witness. Rule 804, F.R.E. applies if the declarant is unavailable as a witness. Unavailability is defined by Rule 804 as including situations where the declarant is absent from the hearing and the proponent of his statement has been unable to secure his attendance by process or other reasonable means provided his absence is not due to the procurement or wrongdoing of the proponent of his statement for the purpose of preventing the witness from attending or testifying.

There is no showing here of the procurement of absence or wrongdoing of applicant for the purpose of preventing any of the Dun & Bradstreet credit investigators or persons who made statements to them from attending or testifying at the deposition. To the contrary, it would be unreasonable to require that the investigators who compiled eighty-six separate credit reports on businesses located all over the country and the persons they interviewed, a total in excess of one hundred people at the very minimum, be individually deposed wherever they were subject to process. The time and expense that would be required for such an endeavor would clearly be unreasonable both for applicant and for opposer. There was no reasonable means for applicant to place the information in the record except through the testimony of one knowledgeable witness who could authenticate the credit reports as being products of Dun & Bradstreet's investigations and who could testify about the methods used to prepare the reports, both of which functions were served by Mr. Schrater. Even if the individual compilers of the credit reports were separately deposed, it is unlikely that their present unaided recollections of the particular facts of these eighty-six enterprises, a small percentage of the credit reports annually prepared and kept up to date by Dun & Bradstreet, would be

any better or more reliable than the facts which were recorded contemporaneously with the investigations.

Weinstein's Evidence, par. 803(24)[01] and 804(b)(5)[01], states that Rules 803(24) and 804(b)(5), F.R.E. ". . . saved the federal rules from codifying the status quo: the door was opened to the admission of needed, relevant, reliable evidence which does not conform to a class exception, and to the development of new class exceptions as experience warrants." (Vol. 4, pp.803-243 to 803-244 (1975)).

There are five findings that must be made before the evidence can be admitted. First, we find that the credit reports have circumstantial guarantees of trustworthiness equivalent to those in Rule 804(b)(1) -- (4) and, for that matter equivalent to those in Rule 803(1) -- (23). The purpose of the credit reports is to furnish a Dun & Bradstreet subscriber with information to consider as one factor in connection with credit, insurance, marketing or other business decisions. The utility of these reports and the continued success of Dun & Bradstreet's credit reporting business depends entirely on the general accuracy and reliability of thé information that is reported. Dun & Bradstreet therefore has every reason to be as accurate and impartial in its reports as possible. Since it is not the information contained in any one report that is critical, but rather it is a pattern deducible from a consideration of the reports as a whole that may have a bearing on the outcome, we consider the information sufficiently trustworthy for our purposes.

Secondly, we find that the information is offered as evidence of a material fact, namely that there are or have been many uses by third parties of "STAGECOACH" as an identifying name or mark for relevant businesses. Thirdly, we find that the evidence is more probative on the point for which it is offered than any other evidence which the proponent can procure through reasonable efforts. Fourthly, we find that the admissibility of the evidence accords with the general purposes of the Rules of Evidence, which are to have all relevant evidence considered, and with the interest of

justice, which is to have this proceeding determined on the basis of all of the relevant facts of record.

The fifth condition is that applicant made known the intention to offer the evidence sufficiently in advance of the trial or hearing to provide a fair opportunity to meet it, his intention to offer the evidence and the particulars of it, including the name and address of the declarant. This requirement must be interpreted in the light of the nature of proceedings before the Board, wherein testimonial depositions are taken during specified testimony periods, each party having separate periods of thirty days to take testimony-inchief, the opposer having a period of fifteen days to take rebuttal testimony, and there being a pause of thirty days between the testimony times.

Applicant served its notice of taking the testimony of Dun & Bradstreet on opposer's attorney on August 10, 1976. Mr. Schrater, Dun & Bradstreet's designated witness, was deposed, as scheduled by the notice, on September 15, 1976. There was ample time between the date of the notice of deposition and the taking of the deposition. The notice of deposition, which stated that testimony would be taken of Dun & Bradstreet through an agent to be designated thereby, served to apprise opposer of applicant's intention to offer the evidence.

The record does not show that applicant informed opposer in advance of the particulars of the evidence applicant intended to introduce. Certainly the details of the individual credit reports were not given to opposer's counsel in advance of the deposition because the reports were not seen by opposer's counsel before Mr. Schrater appeared at the deposition; that is made clear by the colloquy between counsel at page 4 of the Schrater transcript. The names and addresses of the declarants, that is the persons who made the statements reflected in the credit reports ("A 'declarant' is a person who makes a statement." Rule 801(b), F.R.E.) was not made known to opposer prior to Mr. Schrater's deposition but could have been demanded at that deposition, and opposer

would then have had an opportunity, during its rebuttal testimony period, to examine those of the declarants whom it wished to examine. Under Rule 806, F.R.E., opposer would have been entitled to examine such witnesses as if under cross-examination. Opposer made no effort along those lines, did not move to reset its rebuttal testimony period or to enlarge it beyond the normal fifteen days, and did not move to strike Mr. Schrater's testimony on the ground that the notice provided was insufficient under Rules 803(24) and 804(b)(5), F.R.E. Under these circumstances, applicant's failure to comply fully with all of the technical requirements of the two cited rules is considered to have been waived.

The Dun & Bradstreet credit reports are therefore considered to be part of the record. Our next question is what those reports show on their face, and we mention again that it is not what any particular report indicates that is important, but rather what the evidence as a whole discloses concerning the ambit of protection of the word "STAGECOACH" as a name in the motel, hotel and restaurant businesses. The Dun & Bradstreet reports do not give any information on third-party uses of design marks, stagecoach or otherwise. We shall now consider what effect the disclosures have on applicant's right to register its two design marks.

Of the eighty-six Dun & Bradstreet credit reports, one is on a branch facility of a trucking company separately reported and one is a duplicate, leaving eighty-four enterprises. Thirty-two of these businesses were reported closed, or the information reported was of dubious value not entitled to any weight, or the business was not germane to this opposition. Of the remaining fifty-two reports, fifteen were for motels and thirty-seven were for restaurants. Among these, only one business, a sixtyunit motel with six employees and doing an annual business of about $45,000, was located in the State of Texas, and that was in El Paso, about 300 miles west of opposer's location. We also note that the distance from Salado, Texas (opposer's location) to the nearest state line, the border between Texas and Louisiana, is over a hundred

miles, so that no motel, hotel or restaurant trading under the name "STAGECOACH" located outside Texas can be any closer than one hundred miles away. In fact, with the possible exception of one small barbeque restaurant located in Many, Louisiana, all of the active pertinent businesses are at least several hundred miles away from Salado. All of the restaurants and motels are local businesses enjoying, on the evidence, only local reputations. In view of the total number of "STAGECOACH" restaurants and motels, the majority of which are west of the Mississippi River, the distance that others have kept from opposer speaks well of the respect that has been accorded to opposer's rights in its trading territory.

In further support of its theory that the number of third-party uses of "STAGECOACH" has materially circumscribed opposer's rights, applicant noticed its reliance on pages from the alphabetical and classified telephone directories of about forty localities. However, these pages are evidence only of the fact that the telephone listings appear therein and are not admissible as evidence that the names and numbers printed on the pages reflect active businesses, let alone the size of those businesses or the duration of time they have been open. See: *Gravel Cologne, Inc. v. Lawrence Palmer, Inc., 176 USPQ 123* (CCPA, 1972); *Standard Pressed Steel Co. v. Midwest Chrome Process Company, 183 USPQ 758* (TT&A Bd., 1974) affirmed in part, *191 USPQ 106* (DC Ill., 1976).

Copies of state registrations issued to third parties for marks containing the word "STAGECOACH" were filed by applicant with a notice of reliance but are incompetent as evidence of the use of any of those expressions. See: *Neville Chemical Company v. The Lubrizol Corporation, supra; The State Historical Society of Wisconsin v. Ringling Bros.-Barnum & Bailey Combined Shows, Inc., supra.*

The registrations sought by applicant, if granted, would give to it the benefits of Section 7(b) of the Trademark Act, i.e., the presumptions of ownership of the marks, validity of the registrations and exclusive right to use the marks in commerce throughout the United States, including the very

trading territory where opposer has long been in business and where, on this record, it enjoys the exclusive use not only of its registered mark "STAGECOACH INN" but also of its unregistered mark "STAGECOACH" and its design of stagecoach symbol. Putting aside the fact that opposer's registration of "STAGECOACH INN" for restaurant and motel services, the use of which has been made incontestable under Section 15 of the Statute, gives opposer unrestricted nationwide rights to use that mark, we have here a situation where applicant, by seeking territorially unrestricted registrations of its design marks, is invading the area where opposer has long enjoyed prior use of a closely similar design mark for identical services. Under Section 2(d) of the Statute, that cannot be allowed. See: *Holiday, Inc. v. Holiday Magic, Inc., 167 USPQ 118* (TT&A Bd., 1970), affirmed *177 USPQ 572* (CCPA, 1973); *Knickerbocker Toy Company, Inc. v. Faultless Starch Company, 175 USPQ 417* (CCPA, 1972); *Computer Food Stores Inc. v. Corner Store Franchises, supra.* Even if opposer's use of a stagecoach symbol was not a technical service mark use, opposer's priority and the clear likelihood of confusion would entitle opposer to prevail. See: *Bellbrook Dairies, Inc. v. Hawthorne-Mellody Farms Dairy, Inc., 117 USPQ 213* (CCPA, 1958).

We shall not, of course, disregard opposer's registered mark. While "STAGECOACH INN" does suggest a stopping place for food or rest on a stagecoach line, essentially the same mental impression is engendered by the use of pictures of stagecoaches as marks for restaurants. In the case of both opposer and applicant the allusion is historical and romantic, but both parties are using an Old West theme symbolized by a stagecoach to promote and advertise restaurant services. In both instances, there is also an intimate association of a picture of a stagecoach with the word "STAGECOACH". In opposer's case, "STAGECOACH INN" is the registered mark and a picture of a stagecoach is an unregistered mark. In applicant's case, pictures of stagecoaches are the subjects of applications and, as shown by some of the license agreements, it is contemplated that the marks will be used with the name

"STAGECOACH". In these circumstances, we see no reason to depart from the principle that the name of an object is deemed to be the legal equivalent of the picture of that object. See: *Izod, Ltd. v. Zip Hosiery Company, Inc., 160 USPQ 202* (CCPA, 1969); *In re Duofold Inc., 184 USPQ 638* (TT&A Bd., 1974).

Applicant asserts that there is no evidence of any actual confusion resulting from the use of the parties' marks. There is no requirement for such proof in order to sustain an opposition. See: *Lone Star Manufacturing Co., Inc. v. Bill Beasley, Inc., supra.* Additionally, applicant has not proven any use or promotion of either of its marks contemporaneously with the use of opposer's marks or name or use in the same territory or trading area so that actual confusion could occur or the absence thereof could give rise to an inference favorable to applicant. Accordingly, the absence of evidence of actual confusion is not persuasive that confusion is not likely when and if the parties were to use their respective symbols of origin contemporaneously and in the same locale. See: *American Institute of Management v. The Aims Group, Incorporated, 188 USPQ 463* (TT&A Bd., 1975).

The omission of a citation of opposer's registration by the Examiner of Trademarks during the ex parte examination of applicant's applications is not binding on the Board in an inter partes proceeding because the Board has the statutory responsibility of reaching its own decision on the issue of likelihood of confusion on the basis of the record. See: *Formica Corporation v. Saturn Plastics & Engineering Co., 185 USPQ 251* (TT&A Bd., 1975), affirmed without published opinion, Patent Appeal No. 75-606 (CCPA, February 26, 1976).

The self-serving testimony of applicant's employee to the effect that confusion is not likely is not binding on the Board and is not even persuasive. See: *Thermo King Corp. v. Bill Rivers Trailers, Inc., 168 USPQ 126* (TT&A Bd., 1970),

affirmed, *177 USPQ 764* (CCPA, 1973); *Standard Pressed Steel Co. v. Midwest Chrome Process Company, supra.*

DECISION

The oppositions are sustained and registration is refused to applicant for both marks.

15 U.S.C. §1057

Certificates of registration

(b) Certificate as prima facie evidence

A certificate of registration of a mark upon the principal register provided by this chapter shall be prima facie evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the certificate, subject to any conditions or limitations stated in the certificate.

15 U.S.C.§ 1065

Incontestability of right to use mark under certain conditions

Except on a ground for which application to cancel may be filed at any time under paragraphs (3) and (5) of section 1064 of this title, and except to the extent if any, to which the use of a mark registered on the principal register infringes a valid right acquired under the law of any State or Territory by use of a mark or trade name continuing from a date prior to the date of registration under the chapter of such registered mark, the right of the registrant to use such registered mark has been in continuous use for five consecutive years subsequent to the date of such registration and is still in use in commerce, shall be incontestable: *Provided*, That –

(1) there has been no final decision adverse to registrant's claim of ownership of such mark for such goods or services, or to registrant's right to register the same or to keep the same on the register; and

(2) there is no proceeding involving said rights pending in the Patent and Trademark Office or in a court and not finally disposed of; and

(3) an affidavit is filed with the Commissioner within one year after the expiration of any such five-year period setting forth those goods or services stated in the registration on or in connection with which such mark has been in continuous use for such five consecutive years and is still in use in commerce, and the other matters specified in paragraphs (1) and (2) of this section; and

(4) no incontestable right shall be acquired in a mark which is the generic name for the goods or services or a portion thereof, for which it is registered.

Subject to the conditions above specified in this section, the incontestable right with a reference to a mark registered under this chapter shall apply to a mark registered under the Act of March 3, 1881, or the Act of February 20, 1905, upon the filing of the required affidavit with the Commissioner within one year after the expiration of any period of five consecutive years after the date of publication of a mark under the provisions of subsection (c) of section 1062 of this title.

The Commissioner shall notify any registrant who files the above-prescribed affidavit of the filing thereof.

15 U.S.C. § 1114
Remedies; infringement; innocent infringement by printers and publishers

(1) Any person who shall, without the consent of the registrant –

(a) use in commerce any reproduction, counterfeit, copy or colorable imitation of a registered mark in connection with the sale, offering for sale, distribution or advertising of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or

(b) reproduce, counterfeit, copy, or colorably imitate a registered mark and apply such reproduction, counterfeit, copy, or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive,

shall be liable in a civil action by the registrant for the remedies hereinafter provided. Under subsection (b) hereof, the registrant shall not be entitled to recover profits or damages unless the acts have been committed with knowledge that such imitation is intended to be used to cause confusion, or to cause mistake, or to deceive.

As used in this subsection, the term "any person" includes any State, any instrumentality of a State, and any officer or employee of a State or instrumentality of a State acting in his or her official capacity. Any State, and any such instrumentality, officer, or employee, shall be subject to the provisions of this chapter in the same manner and to the same extent as any nongovernmental entity.

15 U.S.C. § 1115

Registration on principal register as evidence of exclusive right to use mark; defenses

(a) Evidentiary value; defenses

Any registration issued under the Act of March 3, 1881, or the Act of February 20, 1905, or of a mark registered on the principal register provided by this chapter and owned by a party to an action shall be admissible in evidence and shall be prima facie evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce on or in connection with the goods or services specified in the registration subject to any conditions or limitations stated therein, but shall not preclude another person from proving any legal or equitable defense or defect, including those set forth in subsection (b) of this section, which might have been asserted if such mark had not been registered.

(b) Incontestability; defenses

To the extent that the right to use the registered mark has become incontestable under section 1065 of this title, the registration shall be conclusive evidence of the validity of the registered mark and of the registration of the mark, of the registrant's ownership of the mark, and of the registrant's exclusive right to use the registered mark in commerce. Such conclusive evidence shall relate to the exclusive right to use the mark on or in connection with goods or services specified in the affidavit filed under the provisions of Section 1065 of this title, or in the renewal application filed under the provisions of section 1059 of this title if the goods or services specified in the renewal are fewer in number, subject to any conditions or limitations in the registration or in such affidavit or renewal application. Such conclusive evidence of the right to use the registered mark shall be subject to proof of

infringement as defined in section 1114 of this title, and shall be subject to the following defenses or defects:

(1) That the registration or the incontestable right to use the mark was obtained fraudulently; or

(2) That the mark had been abandoned by the registrant; or

(3) That the registered mark is being used by or with the permission of the registrant or a person in privity with the registrant or a person in privity with the registrant, so as to misrepresent the source of the goods or services on or in connection with which the mark is being used; or

(4) That the use of the name, term, or device charged to be an infringement is a use, otherwise than as a mark, of the party's individual name in his own business, or of the individual name of anyone in privity with such party, or of a term or device which is descriptive of and used fairly and in good faith only to describe the goods and services of such party, or their geographic origin; or

(5) That the mark whose use by a party is charged as an infringement was adopted without knowledge of the registrant's prior use and has been continuously used by such party or those in privity with him from a date prior to (A) the date of constructive use of the mark established pursuant to section 1057(c) of this title, (B) the registration of the mark under this chapter if the application for registration is filed before the effective date the Trademark Law Revision Act of 1988, or (C) publication of the registered mark under subsection (c) of section 1062 of this title: *Provided, however,* That this defense or defect shall apply only for the area in which such continuous prior use is proved; or

(6) That the mark whose use is charged as an infringement was registered and used prior to the registration under this chapter or publication under subsection (c) of section 1062 of this title of the registered mark of the registrant, and not abandoned: *Provided, however,* That this defense or defect shall apply only for the area in which the mark was used prior to such registration or such publication of the registrant's mark; or

(7) That the mark has been or is being used to violate the antitrust laws of the United States; or

(8) That equitable principles, including laches, estoppel, and acquiescence, are applicable.

15 U.S.C. § 1121

Jurisdiction of Federal courts; State and local requirements that registered trademarks be altered or displayed differently; prohibition

(a) The district and territorial courts of the United States shall have original jurisdiction and the courts of appeal of the United States (other than the United States Court of Appeals for the Federal Circuit) shall have appellate jurisdiction, of all actions arising under this chapter, without regard to the amount in controversy or to diversity or lack of diversity of the citizenship of the parties.

(b) No State other jurisdiction of the United States or any political subdivision or any agency thereof may require alteration of a registered mark, or require that additional trademarks, service marks, trade names, or corporate names that may be associated with or incorporated into the registered mark may be displayed in the mark in a manner differing from the display of such additional trademarks, service marks, trade names or corporate names contemplated by the registered mark as exhibited in the certificate of registration issued by the United States Patent and Trademark Office.

1115 U.S.C. § 1125

False designation of origin, false descriptions, and dilution forbidden

(a) Civil action

(1) Any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which –

(A) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person, or

(B) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services, or commercial activities,

shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

PLAINTIFF'S EXHIBIT 1A No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,203,914* IS CERTIFIED TO BE A TRUE COPY WHICH IS IN FULL FORCE AND EFFECT WITH NOTATIONS OF ALL STATUTORY ACTIONS TAKEN THEREON AS DISCLOSED BY THE RECORDS OF THE UNITED STATES PATENT AND TRADEMARK OFFICE.

REGISTERED FOR A TERM OF *20* YEARS FROM *August 03, 1982*
SECTION 8 & 15
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

326

Int. Cls.: 37, 41 and 42

Prior U.S. Cls.: 101, 103 and 107

United States Patent and Trademark Office

Reg. No. 1,203,914
Registered Aug. 3, 1982

SERVICE MARK
Principal Register

PETRO STOPPING CENTER

118a

Petro, Inc. (Texas corporation)
P.O. Box 26808
El Paso, Tex. 79926

For: SELF-SERVICE FUEL SERVICES; TIRE REPAIR SERVICES AND ROAD SERVICE FOR VEHICLES, in CLASS 37 (U.S. Cl. 103).

First use May 1, 1975; in commerce May 1, 1975.

For: ENTERTAINMENT SERVICES IN THE NATURE OF A GAME ROOM, in CLASS 41 (U.S. Cl. 107).

First use May 1, 1975; in commerce May 1, 1975.

For: RESTAURANT SERVICES; RETAIL CLOTHING AND, VARIETY STORE SERVICES;TIRE STORE SERVICES AND PROVIDING SHOWER FACILITIES, in CLASS 42 (U.S. Cl. 101).

First use May 1, 1975; in commerce May 1, 1975.

Applicant disclaims "Center" apart from the mark as shown.

Ser. No. 252,049, filed Feb. 29, 1980.

R. M. FEELEY, Primary Examiner

JAMES H. JOHNSON, Examiner

EXHIBIT
1B
No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,414,552* IS CERTIFIED TO BE A TRUE COPY WHICH IS IN FULL FORCE AND EFFECT WITH NOTATIONS OF ALL STATUTORY ACTIONS TAKEN THEREON AS DISCLOSED BY THE RECORDS OF THE UNITED STATES PATENT AND TRADEMARK OFFICE.

REGISTERED FOR A TERM OF *20* YEARS FROM *October 21, 1986*
SECTION 8
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

328

119a

BEST AVAILABLE COPY

Int. Cl.: 42

Prior U.S. Cls.: 100 and 103

United States Patent and Trademark Office

Reg. No. 1,414,552
Registered Oct. 21, 1986

SERVICE MARK
PRINCIPAL REGISTER

120a

PETRO PRIDE KEEPS YOU MOVIN!

PETRO INC. (TEXAS CORPORATION)
P.O. BOX 26808
8229 BURNHAM
EL PASO, TX 79926

FOR: TRUCK STOP SERVICES, IN CLASS 42 (U.S. CLS. 100 AND 103).

FIRST USE 11-0-1984; IN COMMERCE 11-0-1984.

OWNER OF U.S. REG. NO. 1,203,914.

SER. NO. 535,971, FILED 5-6-1985.

RUSS HERMAN, EXAMINING ATTORNEY

PLAINTIFF'S EXHIBIT 1C No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,414,551* IS CERTIFIED TO BE A TRUE COPY WHICH IS IN FULL FORCE AND EFFECT WITH NOTATIONS OF ALL STATUTORY ACTIONS TAKEN THEREON AS DISCLOSED BY THE RECORDS OF THE UNITED STATES PATENT AND TRADEMARK OFFICE.

REGISTERED FOR A TERM OF *10* YEARS FROM *October 21, 1986*
SECTION 8 & 15
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

121a

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. Phillips
H. PHILLIPS
Certifying Officer

Int. Cl.: 42

Prior U.S. Cls.: 100 and 103

Reg. No. 1,414,551

United States Patent and Trademark Office Registered Oct. 21, 1986

SERVICE MARK
PRINCIPAL REGISTER

122a

PETRO PRIDE

PETRO INC. (TEXAS CORPORATION)
P.O. BOX 26808
8229 BURNHAM
EL PASO, TX 79926

FOR: TRUCK STOP SERVICES, IN CLASS 42 (U.S. CLS. 100 AND 103).

FIRST USE 11-0-1984; IN COMMERCE 11-0-1984.

OWNER OF U.S. REG. NO. 1,203,914.

SER. NO. 535,970, FILED 5-6-1985.

RUSS HERMAN, EXAMINING ATTORNEY

PLAINTIFF'S EXHIBIT 1D No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,424,435* IS CERTIFIED TO BE A TRUE COPY WHICH IS IN FULL FORCE AND EFFECT WITH NOTATIONS OF ALL STATUTORY ACTIONS TAKEN THEREON AS DISCLOSED BY THE RECORDS OF THE UNITED STATES PATENT AND TRADEMARK OFFICE.

REGISTERED FOR A TERM OF *20* YEARS FROM *January 06, 1987*
SECTION 8 & 15
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

332

Int. Cl.: 42

Prior U.S. Cls.: 100 and 103

Reg. No. 1,424,435

United States Patent and Trademark Office

Registered Jan. 6, 1987

SERVICE MARK
PRINCIPAL REGISTER

124a

PETRO STOPPING CENTER

PETRO INC. (TEXAS CORPORATION)
P.O. BOX 26808
8229 BURNHAM
EL PASO, TX 79926

FOR: TRUCK STOP SERVICES, IN CLASS 42 (U.S. CLS. 100 AND 103).
FIRST USE 5-1-1975; IN COMMERCE 5-1-1975.

OWNER OF U.S. REG. NO. 1,203,914.
NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "CENTER" , APART FROM THE MARK AS SHOWN.

SER. NO. 603,849, FILED 6-12-1986.

TERRY ELLEN HOLTZMAN, EXAMINING ATTORNEY

PLAINTIFF'S
EXHIBIT
1E
No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,505,318* IS CERTIFIED TO BE A TRUE COPY WHICH IS IN FULL FORCE AND EFFECT WITH NOTATIONS OF ALL STATUTORY ACTIONS TAKEN THEREON AS DISCLOSED BY THE RECORDS OF THE UNITED STATES PATENT AND TRADEMARK OFFICE.

REGISTERED FOR A TERM OF *20* YEARS FROM *September 20, 1988*
SECTION 8 & 15
SAID RECORDS SHOW TITLE TO BE IN:

PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

125a

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

Int. Cl.: 42

Prior U.S. Cls.: 100 and 103

United States Patent and Trademark Office

Reg. No. 1,505,318
Registered Sep. 20, 1988

SERVICE MARK
PRINCIPAL REGISTER

126a

PETRO TRAVEL PLAZA

PETRO INC. (TEXAS CORPORATION)
P.O. BOX 26808
6080 SURETY DRIVE
EL PASO, TX 79926

FOR: TRUCK STOP SERVICES, IN CLASS 42 (U.S. CLS. 100 AND 103).

FIRST USE 9-22-1986; IN COMMERCE 9-22-1986.

OWNER OF U.S. REG. NOS. 1,203,914, 1,434,435 AND OTHERS.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "TRAVEL PLAZA", APART FROM THE MARK AS SHOWN.

SER. NO. 692,735, FILED 10-30-1987.

LAURIE WHITAKER, EXAMINING ATTORNEY

PLAINTIFF'S
EXHIBIT
1F
No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

October 31, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,510,420* IS CERTIFIED TO BE A TRUE COPY WHICH IS IN FULL FORCE AND EFFECT WITH NOTATIONS OF ALL STATUTORY ACTIONS TAKEN THEREON AS DISCLOSED BY THE RECORDS OF THE UNITED STATES PATENT AND TRADEMARK OFFICE.

REGISTERED FOR A TERM OF *20* YEARS FROM *October 25, 1988*
SECTION 8 & 15
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A DE LIMITED PARTNERSHIP

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

L. Edelen

L. EDELEN

336

Int. Cl.: 37

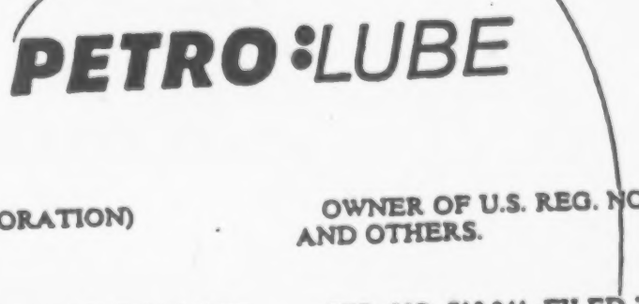
Prior U.S. Cl.: 103

Reg. No. 1,510,420

United States Patent and Trademark Office

Registered Oct. 25, 1988

SERVICE MARK
PRINCIPAL REGISTER



PETRO, INC. (TEXAS CORPORATION)
6080 SURETY DRIVE
EL PASO, TX 79905

OWNER OF U.S. REG. NOS. 1,203,914, 1,424,435 AND OTHERS.

FOR: PREVENTATIVE MAINTENANCE SERVICES FOR VEHICLES, IN CLASS 37 (U.S. CL. 103).

FIRST USE 6-26-1984; IN COMMERCE 6-26-1984.

SER. NO. 718,241, FILED 3-22-1988.

SALLY BETH BERGER, EXAMINING ATTORNEY

128a

PLAINTIFF'S EXHIBIT 1G No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,541,034* IS CERTIFIED TO BE A TRUE COPY WHICH IS IN FULL FORCE AND EFFECT WITH NOTATIONS OF ALL STATUTORY ACTIONS TAKEN THEREON AS DISCLOSED BY THE RECORDS OF THE UNITED STATES PATENT AND TRADEMARK OFFICE.

REGISTERED FOR A TERM OF *20* YEARS FROM *May 23, 1989*
SECTION 8 & 15
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

338

Int. Cl.: 42

Prior U.S. Cls.: 100 and 103

Reg. No. 1,541,034

United States Patent and Trademark Office

Registered May 23, 1989

SERVICE MARK
PRINCIPAL REGISTER

130a

PETRO:2

PETRO INC. (TEXAS CORPORATION)
6080 SURETY DRIVE
EL PASO, TX 79905

FOR: TRUCK STOP SERVICES, IN CLASS 42 (U.S. CLS. 100 AND 103).

FIRST USE 8-1-1988; IN COMMERCE 8-1-1988.

OWNER OF U.S. REG. NOS. 1,203,914, 1,510,420 AND OTHERS.

SER. NO. 751,754, FILED 9-13-1988.

SALLY BETH BERGER, EXAMINING ATTORNEY

PLAINTIFF'S
EXHIBIT
1H
No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,606,012* IS CERTIFIED TO BE A TRUE COPY WHICH IS IN FULL FORCE AND EFFECT WITH NOTATIONS OF ALL STATUTORY ACTIONS TAKEN THEREON AS DISCLOSED BY THE RECORDS OF THE UNITED STATES PATENT AND TRADEMARK OFFICE.

REGISTERED FOR A TERM OF *10* YEARS FROM *July 10, 1990*
SECTION 8 & 15
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. Phillips
H. PHILLIPS
Certifying Officer

340

Int. Cl.: 42

Prior U.S. Cls.: 100 and 103

Reg. No. 1,606,012

United States Patent and Trademark Office

Registered July 10, 1990

SERVICE MARK
PRINCIPAL REGISTER

PETRO INC. (TEXAS CORPORATION)
P.O. BOX 26808
EL PASO, TX 79926

FOR: TRUCK STOP SERVICES, IN CLASS 42 (U.S. CLS. 100 AND 103).
FIRST USE 10-9-1985; IN COMMERCE 10-9-1985.
OWNER OF U.S. REG. NOS. 1,203,914, 1,510,420 AND OTHERS.

THE DRAWING IS LINED FOR THE COLORS GREEN AND ORANGE, AND COLOR IS CLAIMED AS A FEATURE OF THE MARK.

SER. NO. 73-758,470, FILED 10-18-1988.

MARY C. SCHIMELFENIG, EXAMINING ATTORNEY

132a

PLAINTIFF'S EXHIBIT 11 No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,610,830* IS CERTIFIED TO BE A TRUE COPY WHICH IS IN FULL FORCE AND EFFECT WITH NOTATIONS OF ALL STATUTORY ACTIONS TAKEN THEREON AS DISCLOSED BY THE RECORDS OF THE UNITED STATES PATENT AND TRADEMARK OFFICE.

REGISTERED FOR A TERM OF *10* YEARS FROM *August 21, 1990*
SECTION 8 & 15
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

342

133a

Int. Cl.: 42

Prior U.S. Cls.: 100 and 103

United States Patent and Trademark Office

Reg. No. 1,610,830
Registered Aug. 21, 1990

134a

SERVICE MARK
PRINCIPAL REGISTER

PETRO INC. (TEXAS CORPORATION)
P.O. BOX 26808
EL PASO, TX 79926

FOR: TRUCK STOP SERVICES. IN CLASS 42 (U.S. CLS. 100 AND 103).

FIRST USE 8-1-1988; IN COMMERCE 8-1-1988.

OWNER OF U.S. REG. NOS. 1,203,914, 1,510,420 AND OTHERS.

NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "CENTER" , APART FROM THE MARK AS SHOWN.

THE DRAWING IS LINED FOR THE COLORS GREEN AND ORANGE. AND COLOR IS CLAIMED AS A FEATURE OF THE MARK.

SER. NO. 73-759,935, FILED 10-26-1988.

MARY C. SCHIMELFENIG, EXAMINING ATTORNEY

EXHIBIT
1J
No. 3:96CV53C

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,676,209* IS CERTIFIED TO BE A TRUE COPY OF THE REGISTRATION ISSUED BY THE UNITED STATES PATENT AND TRADEMARK OFFICE WHICH REGISTRATION IS IN FULL FORCE AND EFFECT.

REGISTERED FOR A TERM OF *10* YEARS FROM *February 18, 1992*
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

344

135a

Int. Cl.: 42

Prior U.S. Cls.: 100, 101 and 103

Reg. No. 1,676,209

United States Patent and Trademark Office

Registered Feb. 18, 1992

SERVICE MARK
PRINCIPAL REGISTER

136a

Thank you for traveling with PETRO Pride.

PETRO, INC. (TEXAS CORPORATION)
6080 SURETY DRIVE
EL PASO, TX 79905

FOR: TRUCK STOP SERVICES, IN CLASS 42 (U.S. CLS. 100, 101 AND 103).
FIRST USE 8-0-1986; IN COMMERCE 8-0-1986.

OWNER OF U.S. REG. NOS. 1,414,551, 1,606,012 AND OTHERS.

THE DRAWING IS LINED FOR THE COLORS GREEN AND ORANGE.

SER. NO. 74-088,459, FILED 8-16-1990.

JENNIFER BRUST, EXAMINING ATTORNEY

PLAINTIFF'S EXHIBIT 1K No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,719,254* IS CERTIFIED TO BE A TRUE COPY OF THE REGISTRATION ISSUED BY THE UNITED STATES PATENT AND TRADEMARK OFFICE WHICH REGISTRATION IS IN FULL FORCE AND EFFECT.

REGISTERED FOR A TERM OF *10* YEARS FROM *September 22, 1992*
SAID RECORDS SHOW TITLE TO BE IN:
PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

346

Int. Cl.: 1

Prior U.S. Cls.: 6 and 15

Reg. No. 1,719,254

United States Patent and Trademark Office

Registered Sep. 22, 1992

TRADEMARK
PRINCIPAL REGISTER

138a

PETRO:PLUS

PETRO, INC. (TEXAS CORPORATION)
P.O. BOX 26808
EL PASO, TX 79926

FOR: DIESEL FUEL ADDITIVES SOLD PRE-MIXED WITH DIESEL FUEL, IN CLASS 1 (U.S. CLS. 6 AND 15).

FIRST USE 5-3-1991; IN COMMERCE 5-3-1991.

OWNER OF U.S. REG. NOS. 1,510,420, 1,541,034, AND OTHERS.

THE DRAWING IS LINED FOR THE COLORS GREEN AND ORANGE.

SN 74-038,025, FILED 3-13-1990.

JOHN MICHOS, EXAMINING ATTORNEY

PLAINTIFF'S EXHIBIT 1L No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 24, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,811,663* IS CERTIFIED TO BE A TRUE COPY OF THE REGISTRATION ISSUED BY THE UNITED STATES PATENT AND TRADEMARK OFFICE WHICH REGISTRATION IS IN FULL FORCE AND EFFECT.

REGISTERED FOR A TERM OF *10* YEARS FROM *December 14, 1993*
SAID RECORDS SHOW TITLE TO BE IN:

PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

348

139a

Int. Cl.: 37

Prior U.S. Cl.: 103

Reg. No. 1,811,663

United States Patent and Trademark Office

Registered Dec. 14, 1993

140a

SERVICE MARK
PRINCIPAL REGISTER

PETRO:TREAD

PETRO PSC, L.P. (DELAWARE LIMITED PARTNERSHIP),
6080 SURETY DRIVE
EL PASO, TEXAS 79905, ASSIGNEE OF
PETRO, INC. (TEXAS CORPORATION) EL PASO, TEXAS 79905

FOR: TIRE RETREADING SERVICES, IN CLASS 37 (U.S. CL. 103)
FIRST USE 2-14-1991; IN COMMERCE 2-14-1991.

SER. NO. 74-127,755, FILED 1-3-1991.

LAVERNE PREDDIE, EXAMINING ATTORNEY

PLAINTIFF'S EXHIBIT 1M No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,819,876* IS CERTIFIED TO BE A TRUE COPY OF THE REGISTRATION ISSUED BY THE UNITED STATES PATENT AND TRADEMARK OFFICE WHICH REGISTRATION IS IN FULL FORCE AND EFFECT.

REGISTERED FOR A TERM OF *10* YEARS FROM *February 08, 1994*
SAID RECORDS SHOW TITLE TO BE IN:

PETRO STOPPING CENTERS, L.P.
A LIMITED PARTNERSHIP OF DE

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

350

142a

Int. Cls.: 16, 21, 25, 26 and 42

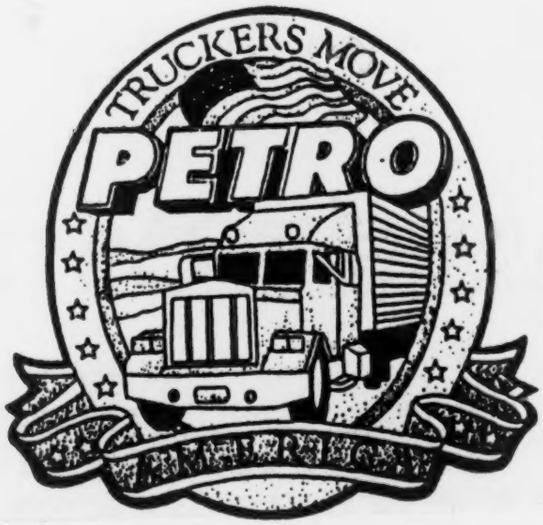
Prior U.S. Cls.: 2, 38, 39, 40, 100, 101 and 103

Reg. No. 1,819,876

United States Patent and Trademark Office

Registered Feb. 8, 1994

TRADEMARK
SERVICE MARK
PRINCIPAL REGISTER



PETRO PSC, L.P. (DELAWARE LIMITED PARTNERSHIP)
6080 SURETY DRIVE
EL PASO, TX 79905

FOR: CALENDARS AND DECALCOMANIA, IN CLASS 16 (U.S. CL. 38).
FIRST USE 9-1-1991; IN COMMERCE 9-1-1991.

FOR: TRAVEL MUGS, IN CLASS 21 (U.S. CL. 2).
FIRST USE 9-1-1991; IN COMMERCE 9-1-1991.

FOR: HATS AND T-SHIRTS, IN CLASS 25 (U.S. CL. 39).
FIRST USE 9-1-1991; IN COMMERCE 9-1-1991.

FOR: FABRIC PATCHES, IN CLASS 26 (U.S. CL. 40).
FIRST USE 9-1-1991; IN COMMERCE 9-1-1991.

FOR: TRUCK STOP SERVICES, IN CLASS 42 (U.S. CLS. 100, 101 AND 103).
FIRST USE 9-1-1991; IN COMMERCE 9-1-1991.

OWNER OF U.S. REG. NOS. 1,203,914, 1,719,254 AND OTHERS.

THE STIPPLING IN THE DRAWING IS FOR SHADING PURPOSES.

SER. NO. 74-331,696, FILED 11-12-1992.

LALITHA MANI, EXAMINING ATTORNEY

PLAINTIFF'S EXHIBIT 1N No. 3:96CV530

THE UNITED STATES OF AMERICA

TO ALL TO WHOM THESE PRESENTS SHALL COME:

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

September 23, 1996

THE ATTACHED U.S. TRADEMARK REGISTRATION *1,957,384* IS CERTIFIED TO BE A TRUE COPY OF THE REGISTRATION ISSUED BY THE UNITED STATES PATENT AND TRADEMARK OFFICE WHICH REGISTRATION IS IN FULL FORCE AND EFFECT.

REGISTERED FOR A TERM OF *10* YEARS FROM *February 20, 1996*
SAID RECORDS SHOW TITLE TO BE IN: *Registrant*

By Authority of the
COMMISSIONER OF PATENTS AND TRADEMARKS

H. PHILLIPS
Certifying Officer

352

Int. Cl.: 42

Prior U.S. Cls.: 100 and 101

United States Patent and Trademark Office

Reg. No. 1,957,384
Registered Feb. 20, 1996

SERVICE MARK
PRINCIPAL REGISTER

PETRO STOPPING CENTERS, L.P. (DELAWARE LIMITED PARTNERSHIP)
6080 SURETY DRIVE
EL PASO, TX 79905 , BY MERGER AND CHANGE OF NAME FROM PETRO PSC, L.P. (DELAWARE LIMITED PARTNERSHIP) EL PASO, TX 79905

FOR: RETAIL GENERAL STORE SERVICES, IN CLASS 42 (U.S. CLS. 100 AND 101).

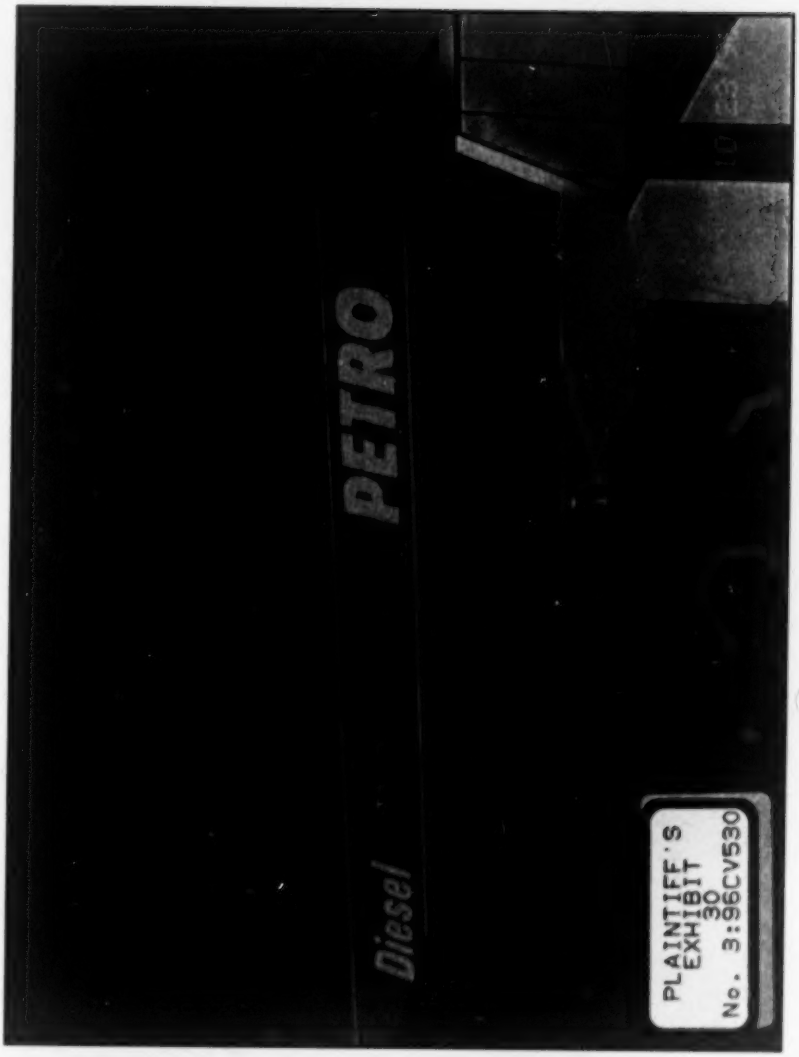
FIRST USE 3-14-1994; IN COMMERCE 3-14-1994.

OWNER OF U.S. REG. NOS. 1,203,914, 1,819,876 AND OTHERS.

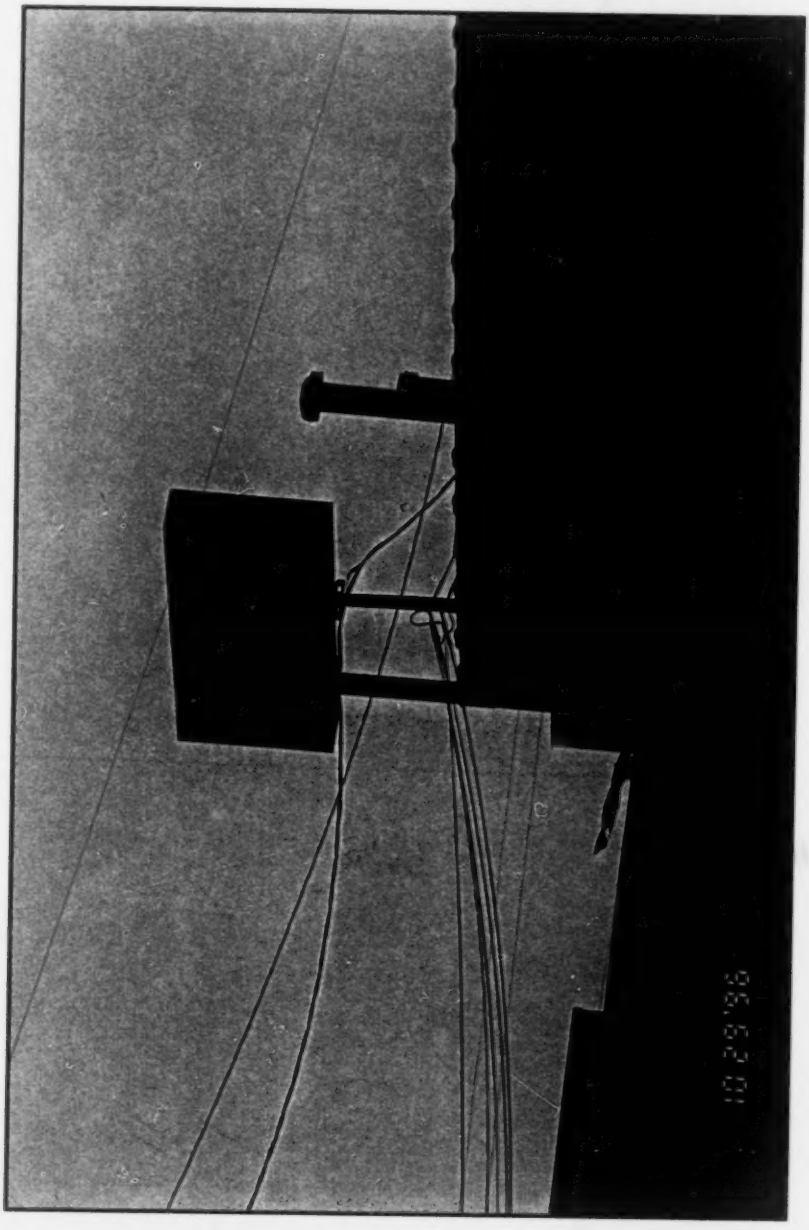
NO CLAIM IS MADE TO THE EXCLUSIVE RIGHT TO USE "MERCANTILE COMPANY" AND "GENERAL STORE", APART FROM THE MARK AS SHOWN.

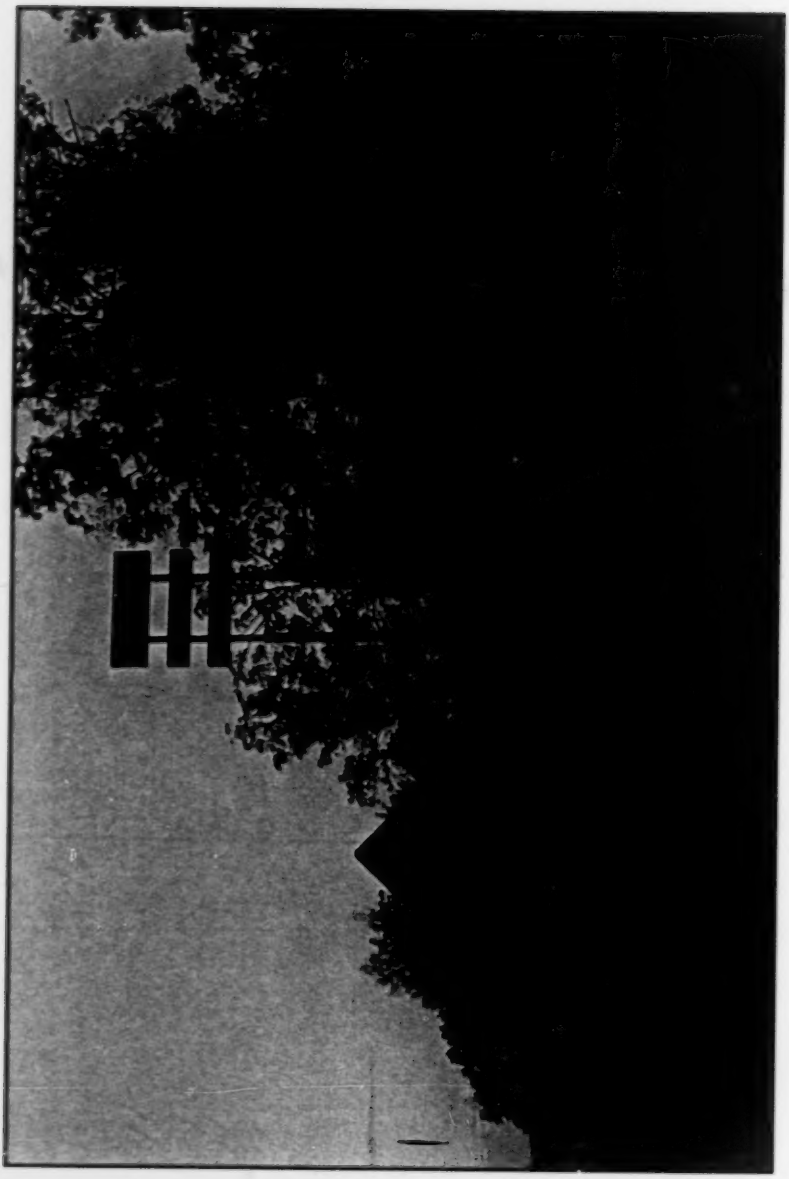
SER. NO. 74-588,725, FILED 10-21-1994.

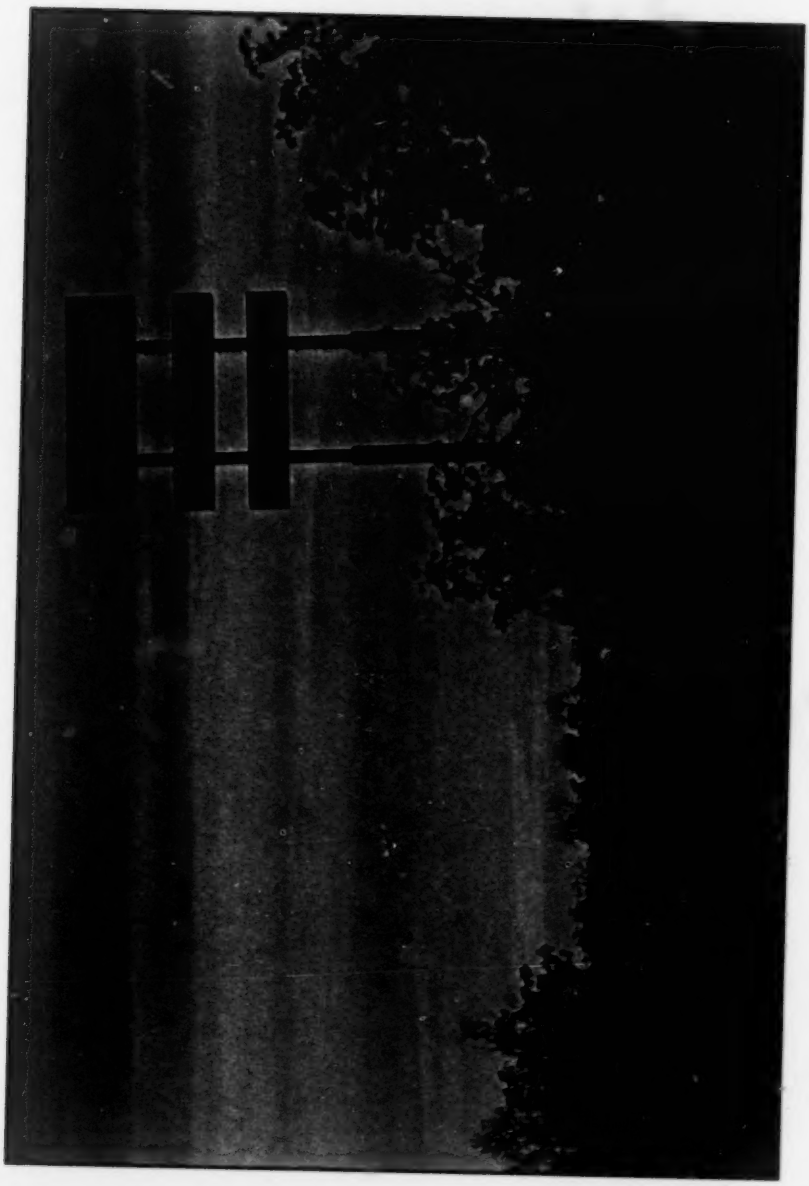
IRENE D. WILLIAMS, EXAMINING ATTORNEY

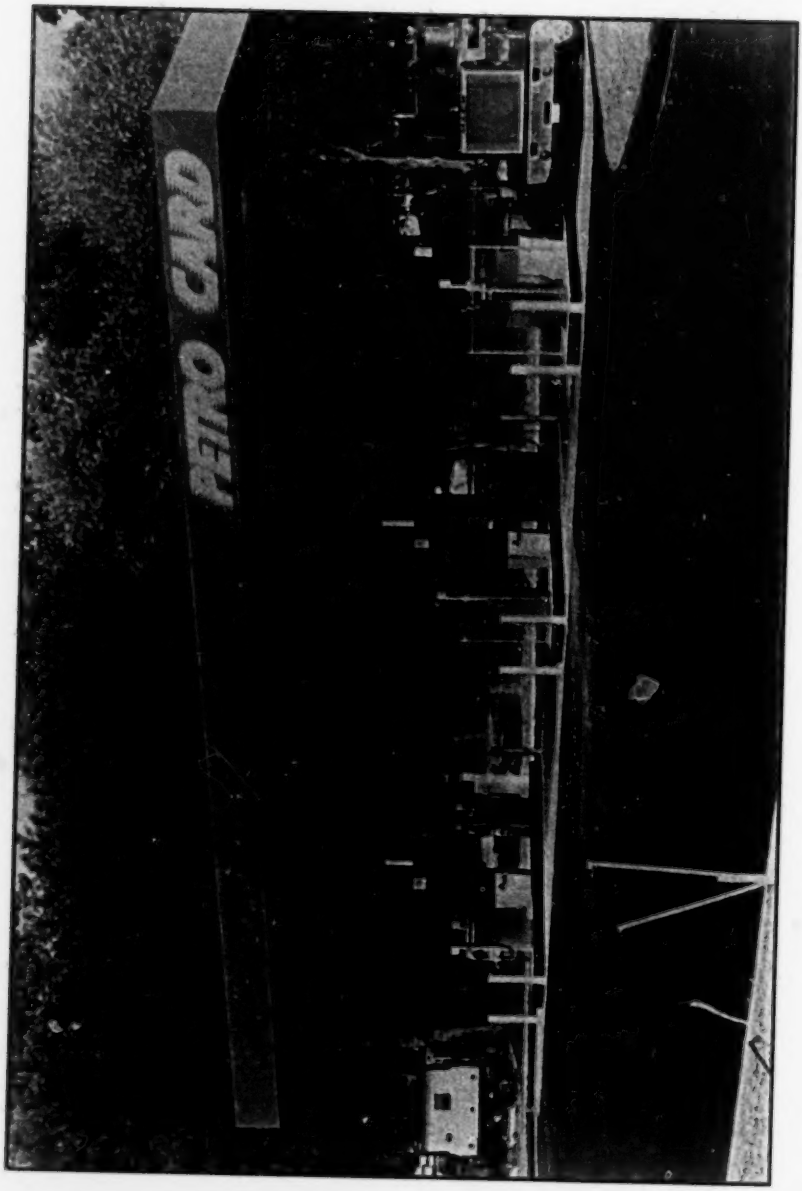

PETRO
Diesel
PLAINTIFF'S
EXHIBIT
30
No. 3:96CV530

James River
358-9000
NO SMOKING
STOP ENGINES
PENSKE
NON-HIGHWAY DIESEL


08:29:38
86.02.01






PETRO CARD